P.A.C. No. 674

# PUBLIC ACCOUNTS COMMITTEE (1978-79)

(SIXTH LOK SABHA)

## HUNDRED AND THIRTEENTH REPORT

## ROAD DEVELOPMENT DURING THE 4TH PLAN

## (MINISTRY OF SHIPPING AND TRANSPORT)

**[Action taken by Government on the recommendations of the Public Accounts Committee contained in their 18th Report (Sixth Lok Sabha)]**

*Presented in Lok Sabha on* :
*Laid in Rajya Sabha on* :

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## INTRODUCTION

I, the Chairman of the Public Accounts Committee as authorised by the Committee, do present on their behalf this Hundred and Thirtieth Report on the action taken by Government on the recommendations of the Public Accounts Committee contained in their Eighteenth Report (Sixth Lok Sabha) on Road Development during Fourth Plan relating to Ministry of Shipping and Transport.

2. On 31 May, 1978 an 'Action Taken Sub-Committee', consisting of the following Members was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports:

1. Shri P. V. Narasimha Rao — *Chairman*
2. Shri Asoke Krishan Dutt — *Convener*
3. Shri Vasant Sathe
4. Shri M. Satyanarayan Rao
5. Shri Gauri Shankar Rai — *Members*
6. Shri Kanwar Lal Gupta

3. The Action Taken Sub-Committee of the Public Accounts Committee (1978-79) considered and adopted the Report at their sitting held on 27 January, 1979. The Report was finally adopted by the Public Accounts Committee (1978-79) on 22 February, 1979.

4. For facility of reference the conclusions or recommendations of the Committee have been printed in thick type in the body of the Report. For the sake of convenience, the conclusions or recommendations of the Committee have also been reproduced in a consolidated form in the Appendix to the Report.

5. The Committee place on record their appreciation of the assistance rendered to them in this matter by the Comptroller and Auditor General of India.

NEW DELHI;
*February 22, 1979.*
*Phalguna 3, 1900 (S)*

P. V. NARASIMHA RAO.
*Chairman,*
*Public Accounts Committee.*

## CHAPTER I

## REPORT

1.1. This Report of the Committee deals with the action taken by Government on the conclusions or recommendations contained in their 18th Report (Sixth Lok Sabha) on Supplementary Report of the Comptroller and Auditor General of India for the year 1973-74, (Part II) Union Government (Civil) on Road Development in Fourth Plan relating to Ministry of Shipping and Transport.

1.2. The Committee's 18th Report (Sixth Lok Sabha) was presented to the Lok Sabha on 22 December, 1977. Action Taken Notes in respect of all the 154 conclusions or recommendations contained in the Report have been received from the Government and these have been categorised as follows:

(i) Conclusions or Recommendations that have been accepted by Government:

Sl. Nos. 3—5, 9, 23, 26, 28—30, 32—35, 38—42, 47—49, 52, 54-55, 61, 62, 67, 68, 71—74, 76, 77, 80—82, 87, 88, 91—93, 103, 105, 107—111, 113, 114, 117, 118, 124, 137, 139, 148, 154.

(ii) Conclusions or Recommendations which the Committee do not desire to pursue in view of the replies received from Government:

Sl. Nos. 1, 2, 6, 7, 10—13, 15, 27, 31, 36, 37, 44—46, 50; 51, 53, 56—60, 63—66, 69, 70, 75, 78, 79, 85, 89, 94; 96—98, 100—102, 106, 112, 115, 116, 119, 120, 125, 127—132, 134, 138, 140—147, 149—153.

(iii) Conclusions or Recommendations replies to which have not been accepted by the Government and which require reiteration:

Sl. Nos. 8, 14, 16—22, 24, 25, 83, 84, 86, 95; 99, 104, 121, 122.

(iv) Conclusions or Recommendations in respect of which Government have furnished interim replies:

Sl. Nos. 43, 90, 123, 126, 133, 135, 136.

1.3. The Committee will not deal with the action taken by Government on some of their conclusions or recommendations.

***Delay in declaration of roads as National Highways during Fourth Plan*** (Paragraph 2.85—Sl. No. 8)

1.4. Commenting on the delay in declaration of certain State roads as National Highways in the Fourth Plan resulting in unutilisation of the outlay earmarked for the new additions, the Committee in paragraph 2.85 had observed as under:

> "Inspite of heavy shortfalls in the National Highway mileage by the end of the Third Plan and the overwhelming demands from various quarters, both inside and outside Parliament, Government could add, during the Fourth Plan period, only 11 roads with a total length of 4819 kms. against the proposals to the extent of 32,000 kms. submitted by State Governments in this regard. The Committee are perturbed to note that even these 11 roads were declared as National Highways as late as 1971-72 *i.e.*, in the third year of the Fourth Plan, with the result that the outlay of Rs. 15 crores earmarked for the new additions during the Fourth Plan remained largely unutilised, the only expenditure having been incurred to the tune of Rs. 2 crores on the on-going works which had already been sanctioned for such roads from the Central funds before take-over of the roads. This speaks volumes about the inept planning of the Roads Organisation, a situation which has not been adequately explained."

1.5. In their action taken note dated 19 June, 1978, the Ministry of Shipping and Transport—(Roads Wing) have stated:

> "This recommendation refers to the delay in finalising the declaration of certain roads as National Highways in the Fourth Plan. It is submitted in this connection that the declaration of roads as National Highways is not dependent upon the Ministry of Shipping and Transport alone but involves a time consuming process including examination by the Planning Commission and Ministry of Finance and also consultation with Ministry of Railways, Defence and Law. First of all, the Ministry of Shipping and Transport has to know the provision for new addition to the existing N.H. System in a particular plan. This itself takes some time as the finalisation of a Plan document takes considerable time. After the Plan

provision is known. States are addressed to send proposals with detailed data regarding physical status, cost involved in bringing the proposed roads to N.H. Standards etc., States take quite some time in supplying this data. After receipt of replies from all the proposals are examined in the Ministry keeping in view the available resources and the criteria laid down for the declaration of roads as National Highways and a list is drawn up for the consideration of Ministry of Shipping and Transport, Planning Commission and the Ministry of Finance. Since declaration of a road as a National Highway involves quite a lot of additional financial liability for the Central Government both for Capital and maintenance works in perpetuity these proposals are subjected to very detailed examination in the Planning Commission and the Ministry of Finance. At times, due to change in priorities and financial constraints even the provisions are deleted altogether as happened in the Fifth Plan. All this process thus takes considerable time before a road(s) can be declared as a National Highway and this also explains for the delay in the declaration of certain roads as National Highways in the Fourth Plan which obviously could not be attributed to any one single Ministry but could be said unavoidable in the interests of proper scrutinising by all concerned. Reference to an expenditure of Rs. 2 crores only is attributable to sudden financial constraints in 1972-73 which did not continue upto the end of the Fourth Plan alone but even beyond that."

1.6 **The Committee are not convinced by the argument put forth by the Ministry of Shipping and Transport that the declaration of State roads as National Highways takes considerable time since it is not dependent upon the Ministry alone but also involves a time-consuming process, including examination by the Planning Commission and the Ministry of Finance and also consultation with the Ministries of Railways, Defence and Law. They feel that the Ministry with their past experience should be able to initiate preparatory action in consultation with the State and Central authorities for selection of such roads as could be considered likely for development as National Highways. This arrangement would obviate avoidable delays in settling preliminaries at later stages and would thus enable the Ministry to proceed with the execution of the projects immediately when firm financial provisions are known. The Committee cannot help concluding that had this course been adop-**

**ted, the provision of Rs. 15 crores made for development of 11 new roads, would have been utilised during the 4th Plan itself.**

*Construction of missing road links* (Paragraph 2.91—Sl. No. 14)

1.7. Expressing dissatisfaction over the fact that although the construction of missing links was given the first priority in the Fourth Plan only 3 kms. of missing road links were completed against the total missing links of 400 kms., the Committee in the above paragraphs, had observed as under:

> "What has perturbed the Committee more is the fact that although according to the Adit para the construction of missing links was given the first priority in the Fourth Plan only 3 kms. of missing road links were completed and the work was in progress over a length of 295 kms. against the target of 440 kms. As per information received from the Ministry on 2nd May, 1977, the total length of missing links completed upto December, 1976, was 111 kms. The principal bottlenecks in the way of expeditious construction of the missing links have been identified by the Mnistry viz., difficulties in acquiring land, difficulties in fixing suitable contractors and financial constraints. The Committee have been informed during evidence that these bottlenecks have been largely overcome and the Roads Wing has been repeatedly writing to the States authorities, including the respective PWD Ministries and Chief Ministers, for early completion of the missing links. Despite all these efforts, the progress has not been satisfactory, as according to the information furnished by the Ministry to the Committee the overall progress on the scheme is 'of the order of 50 per cent'. It has been apprehended that at the present rate of priority in the allocation of funds for missing links, the works are expected to be completed in the first year or so of the Sixth Plan."

1.8. The Ministry of Shipping and Transport, in their reply, dated 27 May, 1978, have stated as under:

> "In this para, the Committee has expressed concern about the slow progress on the work of missing links. It may be pertinent to point out in this connection that the total length of missing links is 440 kms. in the National

Highway system obtaining at the beginning of the Fourth Plan, that is, on 1-4-1969. In the new National Highways having a length of 4819 kms. which were declared during the Fourth Plan period, there are missing links totalling 166 kms. We are at present concentrating on expeditious completion of the first set of missing links, namely, 440 kms., as mentioned above. The work on the second set, namely, 166 kms. will be tackled later.

It may be brought to the notice of the Committee that the construction of missing links is done in a phased manner and in a particular sequence. It involves land acquisition, earth work for road embankments, collection of materials, and their laying and consolidation to form the road crust and finally the black topping. In addition, it also involves the construction of cross drainage structure including a large number of culverts, major/minor bridges. A missing link cannot be said to have been completed and ready for use unless and until all the above components including the last item of black topping of various sections are completed in all respects. It is true that up to the end of the Fourth Plan only 3 kms. of missing links were completed in all respects but it is important to remember that the work in the remaining sections of missing links was in various stages of progress as explained above. Another important factor that has adversely affected the progress on these works is financial constraints that were experienced particularly in the later part of 1973 and thereafter.

The progress position reviewed recently (December, 1977) shows that 171 kms. of missing links have been completed in all respects and that the remaining length is in various stages of progress. We have been impressing the importance and urgency of the completion of the same to the State PWDs at various levels including D.O. letters, even at Minister's level, through personal discussions and during periodical discussions at the Chief Engineers' meetings. Thus every effort is made to expedite its completion in the shortest possible time. The latest assessment is that the missing links totalling 440 kms. are expected to be completed by June, 1981."

**1.9. The Committee view with concern that only 171 kilometers out of a total length of missing links of 440 kilometers targeted in**

**4th Plan were completed in all respects till December, 1977 and that the remaining length is in various stages of progress. It was expected that work on these missing links would be completed in the first year or so of the Sixth Plan as according to the Ministry of Shipping and Transport the principal bottlenecks viz. difficulties in acquiring land, difficulties in fixing suitable contractors and financial constraints in the way of expeditious construction of the missing links had been largely overcome. It appears that the construction of missing links in the scheme of things had not been given the importance that it deserved. The Committee are rather perturbed to be informed that the missing links totalling 440 kms. which were given first priority for completion during the Fourth Plan itself are now expected to be completed by June, 1981 i.e. about 8 years behind original schedule. Since besides these 440 kilometers, another 166 kilometers of missing links in length of 4819 kms. which were declared during the Fourth Plan period are also to be constructed, the Committee need hardly emphasise that Government should accord high priority to these works so that they are completed within a time schedule of next two or three years. In fact, the Committee desire that the Ministry should plan and adjust their future programmes in such a way that the missing links, if any, are accorded the highest priority for completion so that the benefits of complete projects made available to the users of the roads within the Plan period itself.**

*(Paragraphs 2.93 to 2.99— Sl. Nos. 16 to 22)*

1.10. While expressing their unhappiness over the slow progress and long time taken in construction of missing links, the Committee in above paragraphs had observed as under:

> "2.93. One of the items of works where the highway authorities faltered in the matter of missing links was the construction of 16 (out of 17) missing major bridges, out of which only 3 had been completed during the Fourth Plan, with work on the remaining 13 in various stages of progress. The Committee have been informed that as on 31 March, 1976, four more major bridges have since been completed, while two have not yet been sanctioned and one, though sanctioned, has not been started yet. The progress in respect of the remaining 7 bridges ranges between 35 to 76 per cent, except in the case of one *viz.* Bridge across Pamban Strait (originally due for completion during the Fifth Plan), where the progress was 11 per cent. **The Committee are unhappy over the slow progress and the long time taken in the completion of the missing major**

bridges and would like the Government to expedite their completion without further loss of time.

2.94. The Committee are also unable to appreciate the action of the Government in holding in abeyance the sanction of two bridges and to defer the construction of another bridge, particularly when these had been accorded necessary priority for completion during the Fourth Plan. They would urge the Government to review the position urgently in respect of them with reference to the availability of funds and prepare a time bound programme for their early completion. The Committee would like to be informed of the action taken in this regard.

2.95. The Committee are constrained to note that the progress of the road crust works on the 123 kms. long Arrah-Mohania missing link on N H. No. 30 in Bihar varied from 2 to 27 per cent and that out of 17 bridges on that missing link none had been sanctioned during the Fourth Plan period. The programme on this missing link varies from 15 per cent to 44 per cent on different items, such as Land Acquisition, Earth Work, Culverts and Pavements."

"2.96. On the present reckoning, the road works alone are expected to be completed by June, 1979. The Director General (Roads) has conceded during evidence that he was 'not satisfied with the progress on this missing link'. The oft-repeated explanations for slow progress are the constraints of financial resources from mid-March, 1973 to March, 1976, obstructions in land acquisition, reluctance of contractors because of abnormal increase in prices and wages in the past 5 years The Committee consider that all these difficulties could have been averted if the highway authorities had taken sufficient care to take up and commence the execution of the works in the early years of the Fourth Plan. What was lacking was a time-bound programme and the proper phasing of the works within the resources available. But it appears to the Committee that matters were allowed to drift. The Committee would like this aspect to be gone into depth and at the same time urge that all-out efforts should be made to complete the work early and by settling the outstanding issues expeditiously. The Committee expect to be apprised urgently of further action in the matter."

"2.97. In regard to the 17 missing bridges on the Arrah-Mohania missing link, the Committee are concerned to note that they are still in the sanctioning stage, though they were scheduled to be completed in the Fourth Plan period. According to the present expectation, another 5 years would be needed to sanction and execute them. The Committee are led to the inescapable conclusion that these works were neglected in the beginning and are now being pursued at higher level, obviously after the receipt of the Audit para. In order that these are completed expeditiously, the Committee would like the Ministry of Shipping and Transport to draw up, in consultation with the State Chief Engineer, PWD, a phased time-bound programme, stage-wise, for construction of the bridges and extend all possible assistance to the State authorities to ensure that the programme agreed upon is adhered to strictly. The Committee would like to be informed of the progress made in the matter."

"2.98. Yet another important instance where unduly long time has been taken in completing a missing link is the 32 mile road link between Kalaghat and Haldia on National Highway 41 in West Bengal which was sanctioned as far back as in July, 1969 and according to the Audit para was about two-thirds complete and out of 3 bridges on that missing link one was 30 per cent complete and the other two, though sanctioned in August, 1974, had not yet been taken up. Because of delay in completion of this missing link not only difficulties were faced in movement of materials for construction of Haldia Port but the development of hinterland was also retarded for not generating the traffic in time. The Committee have been informed during evidence that this work is expected to be completed by March, 1978. The main reasons for the delay in the construction has been adduced as delay in acquisition of necessary land for the work, though land acquisition proceedings were commenced as early as in 1968. The Committee are unable to accept the plea of ignorance of correct position at the time of sanctioning the project estimates and they feel that the system for monitoring the project and the supervision of the respective RO|ELO, to say the least, was wholly inadequate. The result of this heavy delay has been that the work on the road could not be proceeded within time "

"2.99. In regard to the remaining two over-bridges over Mechada and Padampur on the missing link, the Committee

would like the Railways to accord necessary priority so that their construction synchronises with the completion of the road. The Committee would like the Ministry of Shipping and Transport to keep a close touch with the Railways in this regard keeping in view the imperative urgency of utilisation of the port facilities created at Haldia at enormous costs and the social and economic benefits that would accrue therefrom to the country as a whole. The Committee would urge the construction of these works on the missing link without further loss of time. The Committee has also referred to this project in their 33rd Report (Fifth Lok Sabha) on Haldia Dock Project."

1.11 In their replies furnished to the above recommendations to the Committee in June and July 1978, the Ministry of Shipping and Transport (Roads Wing) have stated:

*Para* 2.93

"The Committee's observations have been noted. The Government is taking all possible steps to expedite early completion of the remaining missing major bridges included in the 4th Five Year Plan. It may also be mentioned that periodical reviews are held by senior officers of this Ministry with their counterparts in the State PWDs with the object of expediting the early completion of these bridge works."

*Para* 2.94.

"As desired by the Committee, the position of the following three missing bridges has been reviewed and the present position is given below:

(i) *Bridge across Hungund river on N.H. 13 in Karnataka.*—

The bridge across Hungund river was sanctioned for Rs. 17.52 lakhs in March 1977 with certain technical comments which should be complied before call of tenders. The Chief Engineer is attending to these and he has informed that tenders are being invited, agency is likely to be fixed by August and the work is likely to be completed by December 1980.

(ii) *Bridge over river Torsa on N.H. 31 in West Bengal.*—

This project which also involves realignment of considerable length of N.H. 31 would require an investment of

about Rs. 8 to 9 crores. The site and design features for the bridge have already been settled but the estimate could not be sanctioned and work could not be taken up on account of financial constraints. It is proposed to be provided for in the current Five Year Plan 1978—83 subject to availability of funds.

(iii) *Bridge at Govindgarh on N.H. 11 in Rajasthan.*— This bridge was deferred due to financial stringency although the estimate for this bridge had been sanctioned earlier. The work has now been taken in hand and is likely to be completed by the end of March 1979."

*Paras 2.95 and 2.96.*

"As already explained, the progress on the Arrah-Mohania missing link on N.H. No. 30 in Bihar in the Fourth Plan period and upto March 1976 was slow because of the constraint of financial resources and delay in getting the land. The allocation available in the Fourth Plan being inadequate even for improving at the required rate such heavily trafficked roads as National Highways Nos. 1, 1A, 2, 3, 4, 5, 6, 7, 8, 9, 10, 21, 24, 25, 28, 30 (Patna-Bakhtiarpur) 31, 33, 34, 37, 38, 39, 40, 43, 45, 47 etc., it was difficult to spare a sizeable amount for the Arrah-Mohania missing link where the alternative route was available along the weak, narrow and longer State Road between Arrah and Seasaram.

The Government are taking all possible steps to expedite completion of the road and bridges and to this end periodical reviews are held by senior officers of this Ministry with their counterparts in the State PWD."

*Para 2.97*

"As already explained the delay has been mainly due to constraint of financial resources. The Government are taking all possible steps to expedite completion of all the bridges and to this end targets have been laid down and periodical reviews are held by senior officers of this Ministry with their counterparts in the State PWD. The present position of sanction is as under:

| | | |
|---|---|---|
| Total number of bridges | .. | 17 |
| Number sanctioned and their estimated cost | .. | 12<br>Rs 81.47 lakhs. |
| Number to be sanctioned shortly and their estimated cost | | Rs 103.17 lakhs. |
| Under examination and their estimated cost. | | |

As per the latest communication from the PWD all the bridges and, therefore, the whole project are targeted to be completed by December 1980."

*Para* 2.98.

"While sanctioning the project estimates, the Ministry was given the impression that the possession of land had been obtained by the State PWD. However, the subsequent reports received from the State PWD revealed that the physical possession of most of the lands had not been received by them because of the resistance from the land owners. This bottleneck as well as the others were reviewed in the various meetings of the Steering Committee for the Haldia Port Project. The matter was further pursued through the Chairman, Calcutta Port Commission, the Adviser to the Government during the President's Rule in the State in 1970 and the Chief Secretary, Government of West Bengal. The State Chief Minister was also informed about land acquisition difficulties for the NH and he instructed the State Revenue officers to proceed with acquisition at top speed authorising police action, if necessary. Ultimately the land could be taken possession of before the end of 1973."

*Para* 2.99.

"Recommendation of the Committee has been noted for guidance compliance. Suitable instructions have been issued to all concerned *vide* this Ministry's letter No. NHV MISC/3/78 dated the 11 May 1978."

**1.12. The Committee had, in the recommendations at Sl. Nos. 16 to 22 of the original Report, commented upon the items of work where the Highway Authorities faltered in the matter of missing links. They had expressed their unhappiness over the slow progress and the long time taken in completion of a number of missing major bridges included in the Fourth Five Year Plan. The Ministry have informed the Committee in their Action Taken Notes that Government is taking all possible steps to expedite early completion of these bridges. As regards the progress of the road crust works on the 123 kilometer long Arrah-Mohania missing link of National Highway No. 30 in Bihar, the Committee are constrained to observe that 5 out of the 17 missing bridges on this road are still to be sanctioned though all the 17 bridges were scheduled to be completed in the Fourth Plan**

**period. While giving the oft-repeated explanation of financial constraints in this case, the Ministry have stated that all the bridges and, as such, the whole project is targeted to be completed by December, 1980. Another important instance where the Committee had expressed their unhappiness over unduly long time taken in completion of missing link was a 32 mile road between Kalaghat and Haldia on National Highway No. 41 in West Bengal which was sanctioned as far back as in July, 1969. The Ministry in their reply have stated that the main reason for the delay in construction has been the acquisition of most of the lands for work although while sanctioning the project estimates the Ministry was given the impression that the possession of land had been obtained by the State PWD. The Committee are constrained to find that most of the works of missing links which were to be completed long ago have not been completed so far and some of these are still in sanctioning stages. Though in certain cases targets for completion of the incomplete works have been laid down, what is important is that these targets should be adhered to. In other cases where the works are still to be sanctioned it is of paramount urgency that necessary financial provisions for these projects should be made and steps taken to prepare a time-bound programme for their execution at the earliest.**

*Spill over works to Fourth Plan* (Paragraph 2.101 and 2.102—Sl. Nos 24 and 25)

1.13. Expressing their unhappiness over the fact that out of 530 National Highway works spilled over to the Fourth Plan, 141 works were further spilled over to the Fifth Plan and which have not been completed so far, the Committee had made the following observations in the above paragraph:

> "2.101. The Committee are unhappy to note that as many as 530 National Highway works of the pre-Fourth Plan period were spilled over to the Fourth Plan. While 389 of these works were completed during the Fourth Plan period, the remaining 141 works were further spilled over to the Fifth Plan though 133 of them were targetted for completion during the Fourth Plan period itself. The present position as indicated by the Ministry on 2 May 1977 is that 60 works are still in progress when the third year of the Fifth Plan is already over. Surprisingly enough, it includes 15 works on which the progress is 50 per cent or less. If precious and limited resources of the country are not to be frittered away, it is imperative that projects

once included in the Plan should be executed within the Plan period itself and not allowed to be spilled over thereby adversely affecting the road development programme of the next Plan and escalating the costs of labour and materials. If there are any on-going projects carried over to the next Plan, prudence demands that priority should be given to the completion of such projects over new works. The representative of Planning Commission has also conceded during evidence that 'first priority should be given to important spill-over schemes because before taking up a new scheme it is preferable to complete a spill-over scheme on which sufficient investment has already been incurred."

"2.102. The Committee find that most of the delays in the execution of 141 works during the Fourth Plan which were mainly due to land acquisition, contractual difficulties and changes in the scope of allignments, design etc. could have been eliminated or reduced to a great extent if the Ministry of Shipping and Transport, in consultation with the State authorities, had completed the preliminaries sufficiently in advance of the actual execution of these works. Since the delays which led to the spill-over to the 5th Plan are of recurring nature, the Committee would like the Ministry to study them in depth so as to take remedial action for future. The Committee expect to be informed of the results of such study and action."

1.14. The Ministry of Shipping and Transport (Roads Wing) in their reply dated 26 June 1978 and 18 November 1978 have stated:

*Paragraph* 2.101.

"Every Five Year Plan for development of Central sector roads provides for, in the order indicated, completion of (1) the works spilling over from the previous Plan and (2) the works sanctioned in the first two years of the Plan period. In addition, the Plan attempts to provide for the completion of as many of the works sanctioned in the subsequent three years as permitted by the Plan outlay and by the nature and volume of the works. However, the experience is that the allocations are lower than the requirements with the result the completion gets delayed.

Regarding the 141 pre-Fourth Plan National Highway Works it may be mentioned that 109 stand completed and the remaining 32 are targetted for completion by December 1980. Out of these 32 the progress on 14 is more than 80 per cent."

*Paragraph* 2.102.

"The Committee has observed that most of the delays in the execution of pre-Fourth Plan works were mainly due to land acquisition, contractual difficulties, changes in the scope of alignment, design etc. The Committee has suggested that since the delays are of recurring nature, they would like the Ministry to study them in depth so as to take remedial action for future and the Committee expects to be informed of the results of such study and action.

It may be mentioned in this connection that the Ministry is well aware of the causes of delays in the execution of Plan works and takes all possible steps to minimise the delays as soon as these come to their notice. This matter was raised in February 1970 at the meeting of the Consultative Committee of Parliament attached to the Ministry of Shipping and Transport. As a sequal to their observations, the Government of India constituted an expert committee headed by the then DG(RD) and Addl. Secretary on 18.3.1970 for suggesting measures to expedite the execution of bridge and road works. Some of the terms of reference of the said Committee were to review the existing procedures and suggest streamlining them in so far as they relate to call of tenders, award of work and scrutiny of designs, study of bottlenecks and suggestions for remedial measures in regard to various problems impeding speedy execution of works, such as land acquisition, supply of essential materials, road buildings equipment and finalisation of revised estimates of work where excesses occurred during execution. The Committee submitted its report in December 1972 and suggested various remedial measures for dealing with recurring nature of delays in the execution of Plan projects. The recommendations made by the Committee covered all aspects of delay including those pointed out by the PAC. As a follow-up action on the recommendations made in the report some circulars have been issued to State PWDs drawing their attention to the urgent need for implementation of

some of the recommendations. The report of the Committee was discussed in the meeting of Standing Committee on Roads of the Transport Council held at New Delhi in November 1973. The States were requested to take follow-up action on the recommendations contained in the report. A copy of the report was also sent to the Ministry of Finance whose representative also attended the Transport Development Council meeting held in 1973. No comments were, however, received from Ministry of Finance.

One of the important recurring causes of delay as stated in the PAC paragraph is the land acquisition and change in alignment. It will be useful to dilate a little on this subject. During the course of engineering appreciation about the selection of road alignment and subsequent proposal for acquisition of land for the purpose, definite engineering norms are followed. If after the above process has been finalised, estimate sanctioned and the work is put on the ground, a private party, through whose land the road alignment is proposed to pass, feels aggrieved and goes to the court of law and obtains injunction, the work along the originally approved alignment gets bogged down and no progress can be made until the injunction is got vacated. It will be appreciated that in a situation such as this, engineering department including the Ministry is helpless in avoiding the delays.

As for the delays caused by the change in design after the work is sanctioned and put to ground, the primary reason is inadequate and incomplete ground survey, investigation and sub-soil explorations due to which the design already approved becomes inapplicable. To plug this loophole, Indian Road Congress has recently brought out a Manual for preparation of road projects which the State PWDs have been asked to meticulously follow. A similar guideline in respect of bridge projects is under preparation and is expected to issue shortly."

**1.15. The Committee are constrained to note that 32 out of the 141 pre-Fourth Plan National Highway Works are still to be completed. The recommendations of the expert committee headed by the then DG(RD) and Addl. Secretary, which was appointed in March 1970 to review the existing procedures and to suggest remedial measures for dealing with the recurring nature of delays in the**

**execution of bridge and road works, do not appear to have been implemented effectively. Since the spilled over works adversely affect the road development programme of the next Plan and involve cost escalations, the Committee need hardly emphasise that there is urgent need to keep strict watch over the execution of the projects right from the beginning so as to ensure that works once taken up for execution are completed according to the time schedule. The Committee expect that the remaining 32 projects of the pre-Fourth Plan would be completed without loss further time.**

*Development of engineering expertise for roads and bridge work* (Paragraphs 5.16 and 5.17—Sl. Nos. 83 and 84).

1.16. Stressing the need for institutional arrangement which would make, for two-way deputation of officers from the Roads Wing to States and *vice versa* to ensure quality and timely completion of the works, the Committee in the above paragraphs had observed as under:

"5.16. The Audit has pointed out that (i) the majority of Engineers' posts being at Headquarters, not all the recruits have had a posting to the Regional and Liaision Offices before they qualified for promotion to higher level posts and (ii) the officers of the Roads Wing do not normally have opportunity of gaining field experience through periodical mutual exchanges between them and the State Governments. The Committee do not agree with the view of the Ministry that since 60 per cent of the existing officers in the Roads Wing have been appointed through lateral recruitments/deputation there is no need to have a regular arrangement to depute its officers on deputation to the States for gaining field experience."

"5.17. The Committee stress that suitable institutional arrangement should be devised which would make for two-way deputation of officers from the Roads Wing in the interest of ensuring that officers who have the requisite field experience are entrusted with the responsibility of scrutinising the projects and of overseeing their timely completion and what is more of ensuring quality during execution of the works.

This arrangement would also ensure that the points which the Roads Wing desire to be kept in view while carrying out survey and investigation in the field and preparation of

estimates are *ab initio* complied with by the officers of the Central Government who would be working on deputation with the State authorities. This should facilitate and speed up the work of scrutiny and issue of sanctions."

1.17. In their reply dated 17 July 1978 the Ministry of Shipping and Transport (Roads Wing) have stated:

"With regard to providing field experience to the officers of the Roads Wing, there is an in-built system of training in the organisation itself. Besides transfers from headquarters to Regional Offices and *vice versa*, officers from headquarters are also sent on tours to see and associate themselves with the practical problems and experience of Engineering projects. The field formations have been augmented and these are now better equipped for offering more opportunities to the Roads Wing officers for acquiring practical experience of the projects. Accordingly, it is not considered necessary to send officers of the Roads Wing on deputation to the State Governments for acquiring the practical experience. There is, however, no objection to the State PWDs requisitioning services of the experienced Roads Wing officers for manning their posts to enable adequate and proper survey, investigation and designs being carried out leading to the preparation of realistic and proper estimates. In so far as the State Governments are concerned, they can, if they so desire, send their officers for training in the Roads Wing but it may not be possible to take them on deputation excepting in cases where the services of such an officer may be required to deal with some special type of work. The Recruitment Rules of the Central Engineering Service (Roads) Group 'A' Rules, 1976 enable officers being appointed on deputation basis in such cases."

**1.18. The Committee have been informed that it is not considered necessary to send officers of the Roads Wing on deputation to the State Governments for acquiring the practical experience as there is an in-built system of training in the organisation itself to provide field experience to the officers of Roads Wings Though transfers from headquarters to the Regional office and vice versa and tours undertaken by the officers from headquarters do provide a chance to them to associate themselves with the practical problems and experience of engineering projects, yet in the opinion of the Commit-**

**tee, it would be better to maintain continuous flow of experience from the field into the apex body and** vice versa **if suitable institutional arrangement could be devised by the Ministry for two-way deputation of officers. This would also ensure to a greater extent the timely completion of projects and quality during execution of works besides expediting the work of scrutiny and issue of sanctions.**

*Quality Control* (Paragraph 6.26—S. No. 86)

1.19. Urging the Government to set up a separate Quality Control Cell in each State which should be adequately staffed and properly equipped and charged with the overall responsibility of coordinating quality control measures within that State, the Committee in above paragraph of the Report had observed:

> "The Committee find that due to a variety of factors such as absence of proper qualified staff and precise norms for routine testing, quality control on scientific lines has not been receiving the full attention that it deserved. Audit has pointed out a number of instances where the works executed were of sub-standard qualities because the requisite quality control measures were lacking. The Committee feel that the main reason for this shortcoming was that there was not a proper organisation for quality control operations on a regular basis. It is imperative that there should be a separate Quality Control Cell in each State which should be adequately staffed and properly equipped and charged with the overall responsibility of coordinating quality control measures within that State. The cell should also take stock of the specific problems resolved during the construction of the projects and pass on the essential knowledge of the same to the construction agencies for application in the field."

1.20. In their reply dated 31 July, 1978, the Ministry of Shipping and Transport (Roads Wing) have stated as under:

> "The Ministry has impressed upon the State Governments and the Public Works Departments the need for adequately staffed and properly equipped quality control organisation on various occasions. The matter was again discussed at the meetings of Chief Engineers held at Hyderabad and Madras in January 1976 and August 1976 respectively. At

these meetings special emphasis was again laid on creating suitable well organised quality control set up at sufficiently high level to ensure proper quality control. In March 1976, the Ministry also issued consolidated instructions on the subject stressing *inter-alia* the need for creating proper and adequate organisational set up in the States for quality control. As a result of these constant efforts awareness for this is considerably aroused amongst the State Public Works Departments. However, the basic responsibility for creating separate quality control organisation rests with the State Governments who have to consider the financial implications of creating permanent organisation in consultation with their finance."

**1.21. In their reply the Ministry of Shipping and Transport have stated that at the meetings of the Chief Engineers' held at Hyderabad and Madras in January 1976 and August 1976 respectively, special emphasis was laid on creating suitable well organised quality control set up at sufficiently high level to ensure proper quality control. In March 1976, the Ministry also issued consolidated instructions on the subject stressing** inter alia **the need for creating proper and adequate organisational set up in the States for quality control. The Ministry have further stated that the basic responsibility, however, for creating separate quality control organisation rests with the State Governments who have to consider the financial implication of creating permanent organisation in consultation with their finance. The Committee would like the Ministry to pursue this matter urgently with the State Governments concerned and emphasize upon them the need for creating separate quality control cells on regular basis so as to ensure effective quality control in the construction of roads.**

*Role of contractors* (Paragraph 6.35—Sl. No. 95)

1.22. Urging the speedy finalisation of the NIT document which attempt a kind of uniform system for inviting tenders based on certain standard condition so that the problems of the contractors are also taken care of, the Committee in the above paragraph had observed as under:

"Contractors have an important role to play in executing the works to the prescribed designs, standards and specifica-

tions. In order that the jobs are carried out strictly according to the prescribed specifications, the Committee desire that the terms and conditions of tenders should be reviewed so as to make provision for rigid quality control tests before final payments are made to the contractors. The Committee are given to understand that the Roads Wing is producing a model NIT document which attempt a kind of uniform system of inviting tenders based on certain standard conditions so that the problems of the contractors are also taken care of. This document, though evolved a couple of years ago, is still to be finalised in consultation with the Ministry of Finance and the Comptroller and Auditor General. The Committee would urge speedy finalisation of the document for early implementation."

1.23. In their reply dated 13 July 1978, the Ministry of Shipping and Transport have stated:

"The observation made by the Committee about Government's intention to evolve a model NIT is correct. It may be mentioned that in order to bring about uniformity in regard to tendering practices in the country a committee of the Chief Engineers in-charge of Roads at the Centre and in the States have drafted two documents viz., lumpsum contract document; and item rate contract document. These documents were discussed at length at the All India meeting of Chief Engineers and have been endorsed by them. However, in order to ensure that there are no subsequent financial or legal complications in the adoption of these documents, these were referred to the Ministry of Finance for comments and the intention was that when the drafts have been commented upon by the Ministry of Finance, the documents would be referred to the Law Ministry finally for being vetted from the legal point of view. The Ministry of Finance referred the document to the Accountant General, Commerce, Works and Miscellaneous for their views. In view of the very complicated issues involved, the matter was examined very carefully by the A.G., C.W.&M. and their comments on the lumpsum contract document were conveyed to this Ministry in January, 1976 which necessitated fuller examination in Consultation with all concerned. In regard to item rate contract document the A.G., C.W.& Commission had undertaken an identical exercise for

evolving a contract form and that the AGCW&M had already examined the item rate contract document in that connection and had sent their comments to the Ministry of Works & Housing. The Accountant General, Commerce, Works & Miscellaneous further added that those comments would hold good in the present case also and that they would, therefore, not offer any other comments on the aforesaid item rate contract document proposed by the Ministry of Shipping and Transport (Roads Wing). The Ministry tried to get a copy of the comments of the AGCW&M furnished by them to the Ministry of Works and Housing but the latter could not provide a copy as those comments were very voluminous and the contract form had not yet been finalised by the Ministry of Works and Housing and the entire matter was under the consideration of a committee set up by them to finalise their contract form in which process they were also to take into account the comments of the AGCW&M. However, as indicated at the end, another effort is being made to obtain a copy of these comments along with a draft of the item rate contract document evolved by the Planning Commission to finalise the item rate contract document also.

In the circumstances and in order to avoid further delay, the Ministry is arranging for a meeting with all concerned to discuss the lump sum contract document on which the comments of the AGCW&M are available and it is hoped to finalise this document soon as a result of that meeting. At that time the representatives of Ministries of Finance, Law, Comptroller and Auditor General and all others are proposed to be invited. Meanwhile, another effort is also being made to obtain from the Ministry of Works and Housing, AGCW&M's comments on item rate contract document and to hold another meeting to finalise that document also soon."

**1.24. The Committee are constrained to note that the two model NIT documents (viz. lump sum contract document and item rate contract document) evolved a few years ago, which would ensure a kind of uniform system of inviting tenders based on certain standard conditions are still to be finalised. The Committee further note that the comments of the A.G.C.W.&M. on the lump sum contract document were made available to the Ministry in January, 1976 and in regard to the item-rate contract document, the A.G.C.W.&M. have observed that the Planning Commission had undertaken an identical exercise for evolving a contract form and that they had already examined the item rate contract document in that connection and had sent their comments to the Ministry of Works and Housing.**

**It is surprising that the Ministry of Shipping & Transport have not ben able to finalise the lump sum contract document during the last 3 years after A.G.C.W.&M. has communicated his comments and also is not able to obtain so far a copy of the rate contract document with comments from the Ministry of Works and Housing on the plea that the comments are very voluminous. The Committee cannot accept this argument and would urge upon the Government to take early and conclusive action to finalise these documents without any further delay.**

*Utilisation of Machinery* (Paragraphs 7.45 and 7.50—Sl. Nos. 99 and 104).

1.25. Expressing concern over the fact that the machinery acquired at heavy capital cost was allowed to remain unutilised for a number of years entailing heavy loss to the Exchequer, the Committee in the above paragraphs had observed as under:

> "7.45. The Committee note that during 1962—66 specialised road and bridge building equipments worth Rs. 20.55 crores were purchased out of the Central Funds for the execution of various important projects *viz.*, roads financed by the International Development Association (IDA-1961), the Emergency Road Works (1963) and Lateral Road Project (1963-64). These works were entrusted to the States for execution and machinery purchased was allotted to those States *viz.* Assam (Rs. 345.25 lakhs), Bihar (Rs. *609.45 lakhs), Gujarat (Rs. 170.67 lakhs), Maharashtra (Rs. 13.50 lakhs), Orissa (Rs. 52.50 lakhs), Punjab (Rs. 12.24 lakhs), Rajasthan (Rs. 245.95 lakhs), Uttar Pradesh (Rs. 281.54 lakhs) and West Bengal (Rs. 323.45 lakhs) for this purpose. The Committee are distressed to find that though

a bulk of the machinery was rendered idle on completion or slowing down of the above works due to financial stringency about a decade ago, no concrete or conclusive action had been taken all these years to re-allocate the machinery to other States where these could be put to proper use, more particularly for the execution of the National Highways. The Committee have been informed during evidence that a policy decision has now been taken that the Central Government would retain all sophisticated types of equipment worth Rs. 10 crores and the remaining items like road rollers, trucks, boilers etc., worth Rs 9.5 crores would be given to the States against loan assistance. The matter is stated to be under correspondence with the States. The Committee regret that the Ministry had waited for about a decade before re-allocating the surplus machinery to the States. Even now the question of transferring the ownership to the States remains to be settled. What surprises the Committee is the fact that the machinery acquired at heavy capital cost was allowed to remain unutilised all these years, entailing heavy loss to the Exchequer. The Committee consider this to be a fit case requiring a thorough probe with a view to fix responsibility."

"7.50. The Committee would also like the Ministry to identify such of the items of machinery as have not been utilised at all or markedly under-utilised with a view to ascertain the rationale for their initial purchases. The responsibility for purchase of unwanted items may be thoroughly investigated so as to take corrective measures to obviate such purchases in future. The Committee would like to be informed of the concrete measures taken in pursuance of this recommendation."

1.26. In their reply dated 7 August, 1978 and 25 July, 1978, the Ministry of Shipping and Transport (Roads Wing) have stated:

*Para* 7.45.

"Mechanisation in road construction was first taken up at the time of execution of IDA works in the year 1961 or so and the project was to be completed within about 3-1|2 years. Similarly, Lateral Road Project and Strategic Road Works were also time-bound projects for completion within a target schedule. Cost of IDA project was about Rs. 50 crores, Emergency Works about Rs. 70 crores, Strategic

road works about Rs. 42 crores and LRP (revised) about Rs. 73.3 crores. The total cost of all these projects was about Rs. 235.3 crores. The cost of the machinery purchased for execution of these projects was only Rs. 20.43 crores. The equipment planning was done only for Rs. 20.42 crores. The equipment planning was done only for essential items of work and considering the time schedule and other factors like nature of work etc. originally envisaged. The RBMC felt that the machinery purchased was generallly justified. However, due to financial stringency as indicated in the PAC recommendation, the works were slowed down and actual completion of the projects took much longer time. The States could not realistically anticipate the availability of funds and, therefore, the resultant overall surplus machinery to the projects. Further, it would have been difficult to declare them surplus for transferring elsewhere and again get them back later on as and when funds position improves for execution of works in their own State. Therefore, only after the completion of the project, the States could indicate some surplus machinery. Experience has also shown that the activities on some of the foregoing projects kept on at a varying pace according to financial resources situation till over some prolonged period those were completed. Further, the organisational set up in the States was not adequate at the time of earlier execution of projects so as to realistically work out in detail the requirement of machinery in advance and declare the remaining as surplus.

Still on the basis of surplus items of machinery indicated after the completion of projects, a number of transfer orders were issued between 1967 and 1969 transferring the equipments to States like Tamilnadu, Andhra Pradesh, Karnataka, Himachal Pradesh etc. for the execution of National Highway works. Some machines were also transferred to States like U.P., Punjab, Rajasthan, Gujarat etc. on the basis of additional demands received from them.

However, as the Fourth Plan period commenced, the same marked the stage for activity of sizeable planned development of National Highway system being proceeded with. Accordingly, all the States were requested in June, 1970 to realistically work out the requirement of machinery for Central and Centrally sponsored works, as per the procedure indicated therein, the output norms of the machinery to be assumed etc. By that time, the finalisation of the

outlays in the Fourth Five Year Plan period and approval of the Annual Plan for 1969-70 and 1970-71 in respect of National Highways and other Centrally sponsored works was already done. The States were, therefore, requested to review the requirement of machinery. A number of reminders were issued to the States and discussions held in the Chief Engineers meetings stressing for furnishing the required information but it was found that the requirement of machinery asked for was received without proper data supporting the demand or by adopting different norms. Therefore, a tentative assessment of requirement was made in the Ministry based on the information available and the surplus list was sent to all the States in January 1971 indicating that the transfer orders issued on the basis should be honoured. A number of transfer orders were also issued in 1970, 1971 and 1972.

Subsequently, Ministry had finalised the proforma of utilisation programme in March 1972 and sent to the States for making advance planning for execution of Central Works and assess the requirement of the machinery for the same. On the basis of surplus indicated by the States and demands received from other State, redistribution of machinery is being done every year from 1973.

About 1100 machines were transferred from one State to another, between 1967 and 1978.

Besides the above, a number of machines totalling to about 186 Nos. have also been sold to other Departments between the years 1969 and 1973. These include such machines like mobile cranes, grab dredging cranes etc. which were considered overall surplus to the Ministry, as the contractors for bridge works had arranged their own equipments to a large extent.

The above position would indicate that necessary action possible to re-allocate the machinery to other States for execution of National Highway and other Central works was taken.

In 1973, a policy decision was taken in consultation with the Ministry of Finance to retain the ownership of only heavy and sophisticated items of equipments and dispose minor items to State Governments. Accordingly, a list of such minor items was sent to States in August 1973 requesting

them to send their demand for the same. After vigorously pursuing the matter, demands of the State Governments of Rajasthan, Punjab, Maharashtra, Madhya Pradesh and West Bengal were received for taking over some items of minor equipments, and Ministry accordingly issued orders for sale. The States of Assam, U.P., Orissa had intimated their unwillingness to acquire these equipments on sale basis. The urgency of the matter to finalise the disposal of minor items of equipment was impressed upon the Chief Engineers in various correspondences, in the Chief Engineers meetings/review meetings etc. The matter is also being pursued demi-officially at the level of Director-General (Road Development) with the State Governments for submission of their final requirements from time to time.

Ministry has already taken a number of actions to improve the utilisation of the equipments. As a result (i) the States have started making advance planning to work out the requirements of machinery in the form of utilisation programme in the beginning of the year itself, (ii) the organisational set-up has already improved in the States as well as in the Ministry. As many as 11 important States holding the bulk of the Central machinery have now each a Superintending Engineer (Mechanical), (iii) the workshop facilities are being augmented for the satisfactory up-keep of all the Central machinery. (iv) The maintenance and repair estimates of machinery are being sanctioned from separate grant head *viz.* 'M&R Grant of Machinery' so that the availability of funds for attending to repairs has been ensured. The technical sanctions are also being issued by the Regional Offices. (Mechanical) directly besides the Ministry using certain delegated powers. (v) The re-distribution of machinery is also done every year on the basis of surplus declared by some of the States to other needy States.

With the above action already being taken to utilise all Central machinery the utilisation is expected to continuously keep on improving.

A Road Building Machinery Committee was set up in 1968 to go into this aspect and had made a number of recommendations in their report finalised in March 1970. The same

have already been accepted by the Ministry and sent to the States for taking implementation action. It will, therefore, be seen that all necessary action possible has already been taken or is under way to re-allocate the surplus machinery and to ensure improved utilisation."

7.50 The equipment purchased for the earlier projects were generally earth moving machinery, soil stabilisation equipment, compaction equipments, transport vehicles, bituminous pavement construction equipments, bridge making machinery and ferry vessels. These are all generally needed for road construction, especially for construction of National Highways, which is different from States roads to proper quality and to complete the works within the tight target schedule originally envisaged. As such, the initial purchase can be considered as rational.

The Road Building Machinery Committee in paras 4.5.4. and 4.5.5. of their Report has identified Howard Soil stabilisers and Russian grab dredging cranes in this connection of PAC's observations. All the Howard stabilisers have since been repaired in M/s. Garden Reach Workshop, Calcutta, a Government organisation. These are very useful machines needed for stabilising the soil having low bearing strength, with the addition of lime or cement. The state Chief Engineers have been impressed during discussions for utilisation of these stabilisers for stabilising soil by making use of lime, cement and fly-ash obtained from Thermal Power Stations, etc.

Out of 20 Nos. 1½ cubic yard grab dredging cranes procured 9 Nos. have since been sold to other organisations and the remaining are distributed as under:

| | |
|---|---|
| Uttar Pradesh | 8 Nos. |
| Bihar | 3 Nos. |

Considerable use of these cranes is being made in Uttar Pradesh through the Bridge Corporation set up by the State for execution of Central Works. A number of bridge works are under execution in Bihar where these are being used.

With regard to 3|4 cubic yard grab dredging cranes, out of 30 Nos. procured for LRP, 18 Nos. have already been sold

to other organisations. The remaining are distributed as under:

| | |
|---|---|
| Uttar Pradesh | 5 Nos. |
| Bihar | 4 Nos. |
| Assam | 3 Nos. |

As already stated above, Uttar Pradesh State Bridge Corporation is making considerable use of the grab dredging cranes. A number of bridge works are under execution in Assam and Bihar where these are being used.

R.B.M.C. has already examined the necessity for purchase of various road construction machinery for the execution of earlier projects and have indicated in para 2.3 of their report that the machinery purchased was generally justified, considering the time schedule and other factors originally envisaged. The cost of machinery purchased, compared to the projects as a whole ranged from 8.04 to 10.46% which is meagre compared to the percentage of 10 to 30% observed in other Central Sector organisations like Irrigation and Power Sector Project. As such, no further investigation than what has already been done by R.B.M.C. would be required.

Ministry has since prescribed a pro forma for furnishing the utilisation programme by each State before the beginning of the financial year. The States have also been requested to calculate the requirement of various items of machinery on the basis of quantum of work sanctioned and the output that can be obtained from each type of equipment. The availability of surplus machines from such utilisation programmes are considered for transfer to other States who need them for execution of Central Works. This Ministry has also prescribed quarterly performance reports for submission by the States to watch the actual extent of utilisation being achieved. Wherever deficiencies are found these are being rectified during inspections and review meetings."

**1.27. The Committee had expressed unhappiness that though a bulk of the machinery was rendered idle on completion or slowing down of the works due to financial stringency about a decade ago, no concrete or conclusive action had been taken all these years to reallocate the machinery to other States where these could be put**

**to proper use, more particularly for the execution of the National Highway works. The Ministry were urged to implement the policy decision taken in 1973 to retain the ownership of only heavy and sophisticated items of equipments and dispose of minor items to State Governments. The Ministry in their Action Taken Note have stated that the urgency of the matter to finalise the disposal of minor items of equipment was impressed upon the Chief Engineers in the course of correspondence on various occasions, in Chief Engineers meetings/review meetings etc., and the matter is being pursued demi-officially at the level of Director General (Road Development) with the State Governments for submission of their final requirements, from time to time. The Committee further note that 45 per cent of the 1½ cubic yard and 60 per cent of the ¾ cubic yard grab dredging cranes were sold to other organisations. The Committee regret that no clear-cut reply is available whether the policy decision of 1973 has been implemented in letter and spirit. The Committee have also not been informed categorically whether a thorough investigation into the purchase of the unutilised or markedly under-utilised machinery had been carried out to fix responsibility. The Committee would also like to have a specific reply whether all the machinery and equipment not required by the Centre have been disposed of and whether the remaining machinery to be kept by the Centre has been put to complete utilisation.**

**Observations regarding road building machinery in State Audit** Report (Paragraph 7.67—Sl. No. 121).

1.28. While stressing the need to examine the observations made in State Audit Reports carefully and select cases of glaring irregularities involving money from the Centre for investigation, the Committee in above paragraph had observed as under:

> "The Comptroller and Auditor General in his Reports on States for the year 1973-74 has made a number of observations on the upkeep and utilisation of various items of machinery and equipment in the States. The Committee are perturbed to note that besides a large number of items of machinery lying idle for lack of utilisation programme or under repair for long periods ranging from one year to three years, as in the case of Andhra Pradesh, Gujarat, Karnataka, Punjab, Rajasthan and U.P., there are other irregularities of serious nature, as for example (i) out of 8 hot-mix plants in Gujarat the whereabouts of 2

plants, purchased in August 1972 were not known (November 1974), (ii) the majority of 27 road rollers imported from Rumania suffered from deficiencies and were not in working order or were lying idle, and (iii) the State Government of Rajasthan had purchased 529 items of machinery for Border Roads valued at Rs. 106.75 lakhs between October 1965 and March 1967 from the open market without informing the Union Ministry. In spite of objections from the Centre, the State P.W.D. continued to make direct purchases and procured another 75 items valued at Rs. 21.95 lakhs between April 1967 and July 1969. The Committee would like the Ministry to examine the observations made by the C & AG in his Reports carefully and select cases of glaring irregularities involving money from the Centre for investigation by a Committee of Officers who may be drawn from the Ministry of Shipping & Transport, Ministry of Finance, Border Roads Organisation and the State authorities etc The Committee would like to be informed within six months about the action taken in pursuance of this recommendation."

1.29. In their reply dated 7 June 1978, the Ministry of Shipping and Transport (Road Wing) have stated:

"This recommendation has been made on the basis of the observation made in the supplementary reports of C&AG for the year 1973-74 regarding utilisation of items of Road Building Machinery in the States of Andhra Pradesh, Bihar, Gujarat, Karnataka, Maharashtra, Punjab, Rajasthan and Uttar Pradesh. The supplementary reports of these States have not been received in this Ministry and therefore these reports could not be examined so far. However, copies of the reports of all the States mentioned above except Punjab have now been obtained from the office of the Comptroller and Auditor General, New Delhi and the portion relevant to this recommendation under consideration have been examined. As per suggestion of C&AG's office, an effort was made to get the report of Punjab from 'Kitab Mahal', where Government of India's publications are sold. Here again it was not available, as it is mainly a report on the State. Therefore, a letter has been issued to the State A.G. to furnish a copy of the

same. Our regional officer at Chandigarh has also been requested to obtain the copy expeditiously.

The reports on States by C&AG contain a number of observations on the upkeep and utilisation of machinery in the States. It is seen that some of the equipments owned by the States also figure therein, besides the Central machinery. Regarding Central machinery, Ministry has already taken various remedial measures to improve utilisation and upkeep as indicated in the action taken note separately submitted to PAC against different recommendations.

The other irregularities of serious nature figured in the reports of the States and the action taken by the Ministry, State-wise is detailed below:

*Andhra Pradesh*

Extra expenditure has been incurred by the State against purchase of a Paver Finisher ordered in November 1971. Para 7.5(ii) in page 56 of the State Report refers.

The Paver Finisher under consideration has been ordered by the State PWD from State funds and does not concern this Ministry.

*Bihar*

In para 1.6.2 of page 61 of the State report, it has been mentioned that the Divisions in the State did not keep proper accounts of ownership and operational components of hire charges of Central machinery recovered from works In the absence of proper records, the Divisions could not ensure that the total expenditure on maintenance and repairs of machine was limited to the amount adjusted as 'Operational Charges'. These charges were not also adjusted in time. Considerable amount was also spent out of State Funds on the maintenance of Central machinery

Ministry had issued instructions regarding calculation and accounting of hire charges as far back as in 1963 *vide* letter No. IDA|W-25(10)|63 dated 8-10-1964 and other subsequent letters in the year 1965, 1966 and 1968 when IDA, LRP and Strategic Road Works were being executed. Whenever equipments of these projects were transferred to other States for use on National Highways works, a reference of such instructions were made in the transfer orders so that the same may be adopted in the transferee State also. On the basis of recommendation of the RBMC slightly modified instructions have been issued *vide* letter No. RM-21(3)|75 dated 4-6-1976, According to this, entire ownership and operational charges are to be credited to the Central Head of Account indicated therein. Ministry is giving the funds separately for maintenance and repairs of Central machinery from a separate Budget grant (M & R) of machinery. State has also been asked to look into the past credits and take action to properly adjust them.

This question was also examined by the Road Building Machinery Committee set up by Government of India and recommendations of that Committee was also communicated to the States for taking implementation action.

*Gujarat*

In para 10.3 at page 102 of State Report, it is mentioned that at the beginning of the 4th Plan, there were 6 Hot Mix Plants. In addition, 2 more plants were purchased in August 1972. Out of the total 8 plants, whereabout of 2 plants were not available (November, 1974).

All these 8 plants were procured from State funds by the State PWD and therefore this Ministry is not concerned.

*Karnataka*

In para 6.1(c) at page 174 of the State Report it is mentioned that for supplying crushed stones for Hot Mix Plants 3 Stone Crushers costing in all Rs. 1.90 lakhs were supplied during June 1974 to October 1974 against orders placed in October 1973. None of them has been commissioned so far (August 1975).

All the Stone Crushers are State machinery and therefore this Ministry is not concerned. We have only released funds for the procurement of one Stone Crusher in 1973 against loan assistance proposals received from the State PWD. As such, this Ministry is not concerned in this connection.

*Maharashtra*

It is indicated at para 11.8 of page 113 of the State Report that in 1965-66 Government of India permitted import from Rumania of 27 Road Rollers through a firm in Calcutta. Orders accordingly were placed in 1966 by the Department. The Road Rollers were received in 1966-67.

The performance of Road Rollers fell short of the standards both in terms of number of days worked and consolidation done. The Rollers suffered from deficiencies and were not in working order were lying idle.

As per Ministry's record, there are only 11 Road Rollers allotted to the State procured out of Central funds. These were arranged for the execution of IDA works. The State PWD has indicated even in the latest physical verification report sent vide their letter dated 25-11-1976 that only 12 Central Road Rollers are available in the State. The discrepancy of one Roller is being reconciled. We have, however, released loan assistance for procurement of 15 indigenous Rollers in the year 1973-74.

In view of the above, it appears that all these Rumanian Rollers belong to the State Government and does not concern with this Ministry. Obviously, this Ministry had been associated only for such assistance such as release of foreign exchange in importing Rumanian Rollers.

*Punjab*

As indicated above, the copy of the report pertaining to this State is yet to be obtained, for detailed examination.

However, it is seen from page 196 of the 18th Report (6th Lok Sabha) of the PAC, 1977-78 that the main observations are the unsatisfactory utilisation of the road making machinery. No serious, irregularities have been indicated.

*Rajasthan*

(i) In para 4.4 of page 100 of the State Report, it has been brought out that the State Government procured 529 items of machinery (required for Border Roads) valued at Rs. 106.57 lakhs between October 1965 and March 1967 from the open market without informing the Union Ministry. In spite of objections from the Centre the State PWD continued to make direct purchases and procured another 75 items valued at Rs. 21.94 lakhs between April 1967—July 1969. Justification for excess purchases and high prices paid for purchases made from the open market compared with the rate of DGS&D could not be ascertained as relevant papers were not available

The State Government has already been informed in various correspondence that the Ministry is not concerned with the direct purchases made by the State Government without Ministry's approval. Such machinery purchased directly by them, therefore, belonged to the State and not to the Central Government and for the expenditure incurred, if any, on this account should not be debited to Ministry's purchases estimate and had to be written back to the State account by the State. On the above lines, State Accountant General was already addressed *vide* letter No. RM-6(7)/69 dated 24-7-1976 and in subsequent correspondence, to take necessary action for withdrawing the unauthorised expenditure in excess of Rs 1.3 crores debited by Rajasthan PWD against sanctioned job No. of the Centre. The State AG is taking necessary action in this connection

(ii) Out of 90 items of machinery transferred from other States to Rajasthan between August 1967 and March 1968 by the Ministry for use on Border Roads, 65 items were not put to use at all. Para 4.7 at page 103 of the State Report refers.

A number of action have already been taken to improve utilisation of Central machinery in the State as already

indicated in the various Action Ttaken Notes prepared against other recommendations of the PAC. It may also be mentioned that this Ministry's regional S.E.(M) with supporting staff has since been posted at Jaipur to closely keep liaison with the State PWD to improve the matters. Discussions are also being held with the State PWD officers, periodically in this connection. Transfer orders have also been issued if some of the machines are not required in Rajasthan on the basis of demands received from other States.

(iii) In para 4.8 at page 103 of the State Report, it is mentioned that items such as trucks, tractors, jeeps, road rollers etc. worth Rs. 58.75 lakhs were supplied to various contractors between December 1966 and June 1969 on hire-purchase basis by various projects Divisions without obtaining prior approval of Government of India which had paid for the machinery. A number of deficiencies from the terms and conditions stipulated were noticed, such as interest was not recovered from some contractors for some trucks, value of machinery exceeded 10 per cent of the tendered cost of the work, less recovery of the amount and interest etc.

As already mentioned in the State Report, the approval of the Government of India which had paid for the machinery was not obtained for giving them to contractors on hire-purchase basis. It is also not clear whether all the machinery under consideration pertains to the Government of India, or to the State procured against State funds. It is also not clear whether the Centre's interest has been adversely affected by giving the machinery to contractors on hire-purchase basis.

(iv) Reduced rate of hire charges were charged for use of machinery during the period May 1968 to March 1969, but the loss on this account was not worked out nor was any responsibility fixed for the same.

It was not clear from available records whether during the period the expenditure on repairs and replacements, including wages of drivers etc. had been borne by contractors.

Expenditure incurred on repairs, maintenance and operation of the machinery and the hire charges earned from contractors were debited and credited respectively to concerned estimates. No Centralised record was available to show for each item of machinery, the expenditure incurred on repairs, maintenance etc. and hire charges realised. In respect of machinery other than road rollers, Rs. 9.66 lakhs were earned as hire charges between 1967-68 and 1971-72, and Rs. 22.23 lakhs were spent on repairs, replacement etc. on these items of machinery from 1967-68 till 1972-73. Thus expenditure on repairs, maintenance etc. exceeded revenue by Rs. 12.57 lakhs.

Para 4.9 at pages 104-105 of the State Report refers.

As already indicated in the State Report, the guidelines for calculation and accounting of the hire charges for use on Central machines was communicated to the State PWD for adoption as early as in 1966. State was also addressed to properly account for the hire charges of the machinery from the time of receipt of Central equipments in the State PWD. The State PWD did not indicate any difficulty to the Ministry for calculation and accounting of hire charges as per guidelines issued by the Ministry and did not obtain Ministry's approval for adopting different rates of hire charges. In case State PWD has incurred more expenditure on repairs, maintenance and operation on machinery than prescribed, the cost of the works is bound to exceed and therefore the State PWD would have to come to the Ministry for revision of the estimate. This point would then be examined. Further it will be very difficult to examine the matter in depth, as it has been indicated in the State Report that no Centralised record was available to show for each item of machinery, expenditure incurred on repairs, maintenance etc. and the hire charges realised.

(v) In para 4.11 at pages 106-107 of State Report, it is indicated that machinery received by the State PWD and not in use was lying in open at various places, as no shelters had been provided for their proper storage.

This Ministry had already asked the State PWD to send estimates for construction of sheds, but only for those machinery belonging to Government of India and

deleting such items of machinery which has become beyond economical repairs, and therefore would not require storage arrangements. Such a modified estimate is still awaited for Ministry's consideration.

(vi) In para 4.10 at pages 105-106 of the State Report has been mentioned that the State Public Works Department did not furnish complete information on certain vital points relevant to the enquiry conducted by Government of India, Ministry of Transport even though this enquiry was made on the request of Government of Rajasthan. Such information include the non-furnishing of places and agencies for carrying out repairs of machinery, details of repairs and bills thereof paid to outside agency, hours worked by machines before and after repairs, details of machinery issued to contractors and the period of their use, deficiencies noticed at the time of return of trucks by the contractors and the amounts spent thereon after return etc. The Committee therefore suggested a further and detailed probe in the matter. The State Government in turn referred the case to their anti-corruption department in July 1974. State Government later informed the Ministry in October 1976 that concernd officers have been charge-sheeted. State Government has now again been requested *vide* Ministry's telegram dated 18-5-1978 to intimate the result of action initiated against the officers responsible for the irregularities concerning machinery items. Since the matter is already under active consideration of State Government covering serious irregularities in the use of Road Making Machinery, it is felt that another investigation by a Committee of Officers as suggested in the PAC recommendation under consideration may not be necessary. It will not be out of place to mention that the area in which the Strategic Roads were constructed had no road system at all earlier. The same was not approachable even by jeeps with 4-wheeled drives and special gears as they could not negotiate on some of the sandy hills in existence in that area. The staff worked at the risk of their life as if the transport failed, death was certain on account of non-availability of any other transport, water, food and shelter. This is only to bring out that the Strategic Roads were constructed in such highly rugged and very severed conditions.

The blowing of sand from the sand clunes affect the performance of the engines specially the air filters, track and other parts to a considerable extent. This reduces the normal life expectancy and increases the repair and maintenance cost as compared to the normal working conditions.

In spite of the above difficulties, approximately 2125 kms. (1320 miles) length of road was constructed and it is understood that the expenditure incurred was only of about Rs. 1.0 lakh/kilometer (Rs. 1.6 lakhs/mile) which can be considered as modest.

*Uttar Pradesh*

Para 28.03 at page 102 of State Report. During the Fourth Plan period, a number of rollers, trucks, tractors, jeeps, Hot Mix Plants, Pavers, Bitumen Tanker, etc. were purchased at a cost of Rs. 304.76 lakhs, but no consolidated list of items received, commissioned and put to use was available. A scrutiny in July 1975 of the records of the Mechanical Division at Lucknow showed that a number of rollers and other items of machinery, all valued at Rs. 41.75 lakhs were lying idle with the Division since 1973-74, as orders for their transfer to working Division were awaited.

During the 4th Plan period, Ministry has not sanctioned any other equipments except bituminous pavement construction equipment and all of them were sanctioned by the Ministry in consultation with the Finance, and procured through the forum of DGS&D. Obviously the machinery under consideration in this para is the State machinery and therefore this Ministry is not concerned.

A review of account of 3 Mechanical Divisions dealing with National Highways showed that till November 1974, 40.81 lakhs had been realised as ownership charges but only Rs. 25.50 lakhs had been credited to Central Head of Account and the balance is lying in deposit with the Divisions. Similarly, Rs. 58.83 lakhs had been recovered as operational charges while the Divisions have spent

**Rs. 101.92 lakhs on the maintenance and upkeep of these machines. No action has been taken to analyse the short-fall in recovery of operational charges.**

Ministry has already given clear guidelines regarding the procedure to be adopted for calculating and accounting of hire charges from the time of receipt of the machines for L.R.P. to the State PWD *vide* Ministry's letter No. VII-1(4)/65 dated 1-9-1965 and subsequent letters. Modified Head Of Account has also been indicated in our letter No. RM-21(3)/75 dated 4-6-1976. It is expected that the State PWD would maintain proper account of hire charges components recovered and credit them to the Central Head of Account, specified by the Ministry. State has been requested again to arrange recovery of old arrears.

*General*

From the above, it may be seen that except for the observations on the upkeep and utilisation of various items of Central machinery given to the States, some irregularities of serious nature involving money from the Centre has only been noticed in the State of Rajasthan. This Ministry has not given approval for any of the action taken by the State PWD resulting in these irregularities. Already one preliminary enquiry has been conducted on the main points of the irregularities by a committee consisting of the Ministry's Chief Engineer (Mech) and the Chief Engineer (Roads). This committee suggested to the State Government a further and detailed probe in the matter, as complete information on certain vital points relevant to the enquiry were not made available to them. As a result of this, the State Government referred the case to the State Anti-corruption Department. State Anti-corruption Department in turn, after their enquiry, advised the State Government to take departmental action against the defaulters involved. Accordingly, Chief Engineer, State PWD conducted departmental enquiry and submitted his report to State Government. While the State Government have intimated that concerned officers have been charge-sheeted, Ministry's views in this departmental enquiry have also been communicated to the State Govern-

ment for considering appropriate action. The further progress in the matter has been called for from the State and same is awaited.

In view of this, it is felt that investigation by another committee would not be necessary at present."

**1.30. The Committee in their earlier recommendations had asked the Ministry to examine carefully the observations made in the Supplementary Reports of C&AG for the year 1973-74 regarding utilisation of items of Road Building Machinery in the States and select cases of glaring irregularities involving money from the Centre for investigation by a Committee of Officers who may be drawn from the Ministry of Shipping and Transport, Ministry of Finance, Border Roads Organisation and the State authorities. In their Action Taken Note, the Ministry have stated that except for the observation on the upkeep and utilisation of various items of Central machinery given to the States, some irregularities of serious nature involving money from the Centre have only been noticed in the State of Rajasthan and that the Ministry had not given approval for any of the action taken by the State PWD resulting in these irregularities. The Committee are not satisfied with the reply of the Ministry as they feel that the Ministry have based their comments on the information as furnished by the State authorities without verifying the facts at their own source. They therefore urge that a thorough investigation into the condition of Central machinery lying with the State Governments may be made by a Committee of Officers, as recommended earlier, and conclusive action taken in consultation with the Audit.**

*Implementation of recommendations of Road Building Machinery Committee (Para 7.68—Sl. No. 122)*

1.31. Expression regret over the fact that though the Road Building Machinery Committee submitted its report in 1970, action has still not been completed on several of its recommendations, the Committee in the above paragraph has observed as under:

"The Committee find that Government had constituted a Road Building Machinery Committee in October 1968 to go into the whole question of road building machinery from the stage of planning of procurement and purchase, to its utilisation, operation, maintenance etc. It is regrettable that though the Committee submitted its report in 1970,

action has still not been completed on several of its recommendations. Out of the seven years taken so far in the consideration/implementation of the recommendations, the Committee find that about two years were taken by the Ministry of Shipping & Transport itself to formulate their views on the recommendations and about three years (from July 1972 to May 1975) were taken by the Ministry of Finance to concur in those views. The Committee have no satisfactory explanation from these Ministries for taking such a long time to consider and concur in the recommendations and would like them to identify the reasons for the same so as to streamline the procedure in this regard and at least obviate such heavy and costly delays in the future. The Committee would like to be informed of the specific action taken in pursuance of this recommendation."

1.32. In their reply dated 19th July, 1978, the Ministry of Shipping and Transport (Roads Wing) have stated:

"Road Building Machinery Committee submitted its report on 31st March, 1970. That committee had given the recommendations on various aspects of road building machinery, involving financial implications, budget matters, policy matters etc., and therefore these were required to be examined in depth in consultation with all concerned officers in the Ministry and getting the same approved from Minister. As such, each of the recommendations and its implications in all aspects were studied carefully before the Ministry's views were formulated and, therefore, these could be sent to Ministry of Finance/DGS&D etc., only in 1972.

As most of the recommendations had financial implications and involved policy matters, it was essential for the Ministry of Finance also to study them in detail, and also consult other Departments like Ministry of Supply, Department of Revenue and Expenditure, etc., for their views. There were mutual discussions between the Ministry of Shipping and Transport (Roads Wing) and Ministry of Finance three times for clarifications of doubtful points to enable us to arrive at mutually acceptable solutions.

As no officer could be exclusively deputed to study this report and examine the recommendations due to economy reasons, there has been some avoidable delay and efforts will be made to eliminate delays in future in such cases as far as possible."

**1.33. The Committee regret that no specific reasons have been given by the Government for taking a long period of about 5 years (2 years by Ministry of Shipping & Transport and 3 years by Ministry of Finance) to consider and concur in the recommendations of the Road Building Machinery Committee set up to go into the whole question of road building machinery from the stage of planning of procurement and purchase to its utilisation, operation, maintenance etc. In the opinion of the Committee the very purpose of constituting such committees is defeated if a long time is taken to implement their recommendations. The Committee are not convinced with the plea of the Ministry that as no officer could exclusively be deputed to study this Report and examine the recommendations due to reasons of economy, there has been some avoidable delay. The Committee would like the Government to go into the reasons for this inordinate delay in both the Ministries with view to fixing responsibility and take remedial measures for future to avoid such delays.**

## CHAPTER II

## CONCLUSIONS OR RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

### Recommendation

The Committee consider that as building a net work of roads capable of dealing with the growing traffic needs of the country is bound to take a long time, it was necessary for the Central and State Governments to have prepared a Master Plan with a schedule of priorities. This master plan had necessarily to cover not only National Highways and other Centrally sponsored roads, but State roads, going right down to village roads. Had such a plan been approved and priorities determined, it would have been a comparatively simple task to determine what should be done during each Plan period, keeping in mind the resources available. If the Bombay Plan was not considered acceptable to the Central and State Governments, it would have been amended or replaced. Lack of an approved plan to be implemented as such, unless changed by a conscious decision, has undoubtedly contributed to the present situation where roads (both Centrally financed and State) were apparently selected for construction of development without due consideration of their importance *vis-a-vis* other roads, roads and bridges sanctioned or under construction or improvement have languished for lack of funds while new works were taken up or projects given priority were not actually taken up.

The Committee would therefore, recommend that a comprehensive plan should be drawn up. This need not be an entirely new exercise as the (yet unaccepted) Bombay Plan and plans made for National Highways and for State roads by certain State Governments would be available as a base. But it is essential that the Central and State Governments should consider and approve a plan, after considering technical, economic and social aspects. The Committee would emphasise that to get the full value of the road net work it is essential that State Governments should participate fully in this drafting of the road plan and in approving it. The Central Government should take the lead not only because its role in overall plan-

ning but considering the outlays made and being incurred on National Highways, Central road and the roads being built under other ongoing programmes and schemes.

[S. No. 3 (para 1.23) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action taken**

The recommendations of the Committee for preparation of a comprehensive road plan both for the Central and State Sectors have been noted for further appropriate action.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 31 July 1978].

**Recommendation**

The Committee concede that allocation of priorities and decisions on what should be built or improved in any given period are matters which need detailed consideration keeping in view changing requirements and availability of resources. However, the Committee would recommend that the following guidelines should be accepted for reasons explained against each:—

(i) Incomplete roads, bridges etc. should be given the highest priority, unless there is a conscious decision that the work in progress was to be abandoned or treated as complete without further outlay. This is necessary to ensure that resources are not blocked for long periods and incomplete assets do not deteriorate without use.

(ii) Priorities once allocated should not be changed lightly or frequently. This is necessary so that the technical staff can do the preliminary work in an orderly fashion without fear of their work going waste. It is also anticipated that works will then not be started without the preliminary works (survey, soil tests, design, estimation etc.) being done properly.

(iii) While the long-term overall plan can take note of all our requirements, in the five year and annual plans only those works should be provided for which funds are likely to be available.

[Sl. No. 4(para 1.24) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action taken**

The recommendations of the Committee has been noted. For the Central Sector Road Schemes, this Ministry is already following these guidelines. In regard to State Sector Road Plans, the Planning Commission have also been issuing suitable guidelines to States from time to time. However the above recommendations of the Committee have also been forwarded to the State Governments for their guidance in respect of State Sector roads (*vide* copy enclosed as annexure).

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 31, July 1978].

*Immediate*

ANNEXURE

**Government of India**

**Ministry of Shipping and Transport**

**(Roads Wing)**

TELEGRAMS — TRANSPORT BHAWAN

*ROADIND* — 1, Parliament Street.

No. PL-27(16)/78 — New Delhi the 2nd May, 1978

To

All State Govts./U.Ts.

(Deptts dealing with Roads)

Subject: Formulation of Road Plans.

Sir,

I am directed to say that in their 18th Report the Public Accounts Committee (1977-78) have made certain recommendations in regard to the manner in which plans for the development of roads should be formulated. A copy of the relevant para (Para 1.24) from the report is enclosed.

2. As the State Govt. are aware, the Planning Commission have also been issuing guidelines for the formulation of State 5-Year/ Annual Plans from time to time. I am to request that the recommendations made by the P.A.C. and those issued by the Planning Commission may kindly be examined and necessary action taken in so far as State Govts./Local Admns. are concerned. The guidelines recommended by the Committee in Para 1.24 may kindly be kept in view in formulating proposals of the State Govt./Local Admn. in respect of their Five Year Plans and Annual Plans for various years.

3. I am further to request that in order to ensure that these guidelines are followed properly, suitable instructions may kindly be issued to the concerned authorities and a copy of the instructions issued may be sent to this Ministry for their information. Immediate action is requested.

Yours faithfully,

(R. C. Jain)
Under Secretary to the Govt. of India.

Encl: As above.

Copy with enclosures forwarded to all Chief Engineers of States/ Principal Engineers of U.Ts. (Deptt. dealing with roads).

(R. C. Jain)
Under Secretary to the Govt. of India.

Encl: As above.

Copy with enclosure forwarded to the Planning Commission (Shri R. C. Sharma, Joint Director, Transport Division), New Delhi.

(R. C. Jain)
Under Secretary to the Govt. of India.

Encl: As above.

Copy with enclosure forwarded to Regional Officers and Engineer Liaison Officers.

(R. C. Jain)
Under Secretary to the Govt. of India.

Encl: As above.

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**MINISTRY OF SHIPPING & TRANSPORT**
(ROADS WING)

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Subject: Para 1.24 of the Eighteenth Report of Public Accounts Committee (1977-78) presented to the Sixth Lok Sabha.

**Para 1.24**

The Committee concede that allocation of priorities and decisions on what should be built or improved in any given period are matters which need detailed consideration keeping in view changing requirements and availability of resources. However the Committee would recommend that the following guidelines should be accepted for reasons explained against each:—

(i) Incomplete roads, bridges etc. should be given the highest priority, unless there is a conscious decision that the work

in progress was to be abandoned or treated as complete without further outlay. This is necessary to ensure that resources are not blocked for long periods and incomplete assets do not deteriorate without use.

(ii) Priorities once allocated should not be changed lightly or frequently. This is necessary so that the technical staff can do the preliminary work in an orderly fashion without fear of their work going waste. It is also anticipated that works will then not be started without the preliminary works (survey, soil tests, design estimation etc.) being done properly.

(iii) While the long-term overall plan can take note of all our requirements, in the five year and annual plans only those works should be provided for which funds are likely to be available.

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**Recommendation**

The arrangement for monitoring development of roads also needs strengthening. Detailed recommendations in regard to National Highways and centrally financed roads are given in later chapters of this Report but, more generally, the Committee consider that monitoring the implementation of a programme should be accepted as an essential part of planning. It appears that the Union Government and some, if not all State Governments are not kept fully aware of what is actually being done to implement the plan made earlier. The situation is worsened by the inadequate attention apparently given to initial planning and to subsequent changes made. The Committee feel that while each Government is, and should be, directly concerned with corrective measures in regard to shortfalls, deviations etc. on roads under its control, it is in the interest of all, for Government of India, to take a lead in ensuring the building up an adequate system for monitoring the implementation of earlier plans when later plans are discussed. While this is necessary for all plans, this is particularly so for development of roads, where haphazard development and incomplete, or delayed work can lead not only to blockage of funds but to delay in general development of an area.

[S. No. 5—(Para 1.25) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)].

**Action Taken**

In September 1976, a separate Cell was set up in the Roads Wing with a view to strengthening the monitoring control over the sanctioned projects. This Cell is headed by a Chief Engineer who is assisted by two Superintending Engineers and other supporting staff. Broadly, the functions of the Cell are: watching the progress of various road and bridge works under execution bringing out shortfalls and slippages for timely remedial action so that within the constraints of financial and material resources the works are executed within the sanctioned cost and the target dates. To achieve these objectives, quarterly progress reports are called for from the State P.W.D. which are scrutinised by the Monitoring Cell and the concerned Project Officers and steps are taken to remove the deficiencies and bottlenecks that may be hampering the smooth progress of the works. Since the Central sector schemes sanctioned by the Government of India are executed by the State Governments on agency basis, there is bound to be some shortfall in the percentage of progress reporting from the field officers. We are, however, tightening up reporting machinery by repeatedly bringing the shortfalls to the notice of the top functionaries in the State P.W.D. to ensure timely submission of quarterly progress reports of all the Central sector schemes in progress. We have suggested the creation of a monitoring cell at State level under the control of a senior officer in the office of the State Chief Engineers. So far, 15 States have responded to our suggestion and more are likely to fall in line in the near future. We have also activised our field formations to conduct a periodical review with the P.W.D. officers about this. The result of the above action has been encouraging.

2. We have a system of monthly reports being received from our Regional Officers. These reports contain salient features and progress position of various works inspected by our Regional Officers. The Project Officers at headquarters who examine these monthly reports come to know about the problems facing the execution of works inspected and get into correspondence with the State P.W.D. authorities for solving these problems to expedite their progress as much as possible. These monthly reports are thus yet another method of monitoring the progress of road development works.

3. For strengthening the monitoring control a system of monthly letters was introduced in Jan. 1976. Through these letters the State Chief Engineers bring out any problem facing them in the execution

of important works in progress and where Ministry's help or intervention could help in accelerating the pace of progress. These letters are examined in the Roads Wing and suitable action is arranged.

4. In March 1977 we suggested to all State Governments that for exercising adequate control on road/bridge construction projects financed from Central Funds, it is necessary to adhere to the requirements of PERT/CPM charts and to make a beginning in this direction, the preparation of these charts should be made mandatory in respect of works each costing Rs. One crore or more. We have also suggested that a specific provision should be made in the NIT document requiring the contracting firms to furnish a complete CPM/PERT chart for works costing Rs. One crore or more and getting the chart approved by the Department within one month of the award of the work and such a chart invariably forming a part of the contract agreement. We are awaiting the views of the State Governments in the matter and final instructions would be issued as soon as the replies from the States are received and examined.

5. For keeping a close watch on financial and physical progress of various Central Sector schemes quarterly O&M meetings are held under the Chairmanship of DG(RD) & Addl. Secretary and the review conducted is brought to the notice of the Secretary of the Ministry.

6. Old sanctioned works, such as those sanctioned during Pre-4th Plan and 4th Plan periods which have not yet been completed, are regularly pursued with the State P.W.D. authorities individually and also at the forums of State Chief Engineers so that these old works get expeditiously completed.

7. A watch is kept on the progressive expenditure on various Central sector road schemes through monthly statements of expenditure received from State Chief Engineers and through quarterly work-wise statements of expenditure received from A.G.'s concerned. These statements help us to exercise proper control over expenditure, *vis-a-vis*, the budget allocations for various schemes.

8. We have a system of inspections by senior officers from headquarters by which the problems encountered during the course of execution of various road and bridge works are looked into, discussed and solved.

9. With the help of various systems and methods outlined above, the Roads Wing is able to discharge one of its important functions

on monitoring road development schemes as has been impressed upon by the P.A.C.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II, dated 26-6-78].

**Recommendation**

What concerns the Committee more is that though it was found that these roads needed Rs 58.60 crores for rectification of deficiencies and improvement, no positive steps were taken to remove these deficiencies except that estimates amounting to Rs. 3.40 crores had been sanctioned. In this regard, the Committee would also like to emphasize that before any roads are finally decided to be added to the existing National Highways system, it should be ensured that they have been properly inventorised for determining their deficiencies and that they have been maintained by the State Governments at a reasonable standard and do not entail heavy expenditure on removal of deficiencies.

[S. No. 9 (Para 2.86) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

This observation relates to certain roads added to the National Highway System in the 4th Plan. The amount of Rs. 58.50 crores only indicates the requirements assessed by the Ministry for improvement works to bring those to N.H. standard. The actual extent to which this requirement could be met over a particular period depends upon a number of factors such as time taken in finalising the decision regarding the declaration of roads as National Highways and that needed for carrying out an inventory survey for assessing the deficiencies, the availability of resources, time taken by States in submitting plans and estimates for sanction etc.

In the case of new additions to the existing National Highways, a decision for the declaration of certain roads could be taken only some time in 1972 (i.e. 2-3 years after the commencement of the Plan) as it involved detailed examination in Planning Commission and the Ministry of Finance in the light of the availability of resources. After this, deficiencies surveys were conducted, a programme was formulated and communicated to States for the submission of Plans and estimates for improvement works to bring these up to N.H. standard for sanction. *Prima facie* all this also required time and left very little time for the States to submit plans and estimates

for the entire amount of Rs. 58.50 crores. There was then also the financial limitation since oil crisis etc. of 1973 in sanctioning estimates for new works. This thus shows that there were positively valid reasons for sanctioning very few estimates for roads newly declared as National Highways in 1973.

Government are, however, fully alive to the need and urgency for expediting work on these new National Highways also and the taking all possible action in this direction.

Government have also noted Committee's recommendations and bring them to the notice of States as and when proposals are invited for new addition to the existing National Highway System that before any roads are proposed to be added to the existing N.H. System, it should be ensured that these have been properly inventorised in respect of deficiencies by the States and that they have been maintained by the State Government at a reasonable standard so as not to entail a heavy expenditure on removal of deficiencies.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(19)/78 Vol. II, dated 5-7-1978].

**Recommendation**

The Committee would also like to emphasise the need for updating the inventory of 1968 in respect of National Highways so that the latest data are available before the commencement of the 6th plan. The Committee also suggest that the work of inventory making for National Highways should be streamlined and coordinated at the central level, based on standard form devised for country-wide application.

[S. No. 23—Para 2.130 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action taken by the Government**

The Ministry have already addressed the State Governments during December 1977 for carrying out inventory survey for National Highways and forward the same after compilation to this Ministry by the end of March 1978. After the issue of this communication, as a follow-up action, the States were also reminded in February 1978 as well as in March 1978, requesting them to furnish the data by the scheduled date.

2. The proceedure for the collection of data has already been streamlined and standard forms/proformae have already been evolved and furnished to all the State Governments so as to enable them to supply the requisite information on a uniform basis. The work is also being coordinated at the Ministry's level.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II, dated, the 19-6-1978].

**Recommendation**

The Committee find that against the total outlay of Rs. 418 crores for Centrally financed road works in the Fourth Plan, the works on National Highways alone *i.e.* carryover works (Rs. 20.45 crores) new additions to National Highways (Rs. 15 crores) and new National Highway Works (Rs. 293 crores) account for Rs. 328.45 crores or 78.5 per cent of the total outlay envisaged. The Committee note that a total shelf of Rs. 455 crores was required to be sanctioned by the Ministry to achieve the targetted provision of Rs. 293 crores on new National Highways works. Against this, works totalling an expenditure of Rs. 324.18 crores (about 71 per cent) were actually sanctioned during the Plan period. The shortfall in sanction was particulary critical during the first two years (1969-70 and 1970-71) of the Plan when Road Works totalling Rs. 57.50 crores and bridge works totalling Rs. 13.90 crores, which constituted about 16.4 per cent and 13.2 per cent respectively of the total required shelf for road works (Rs. 350 crores) and bridge works (Rs. 105 crores), were sanctioned. Since road construction takes anything upto three years from the time an award is made, it needs hardly any emphasis that a much more effort was needed to sanction the maximum number of works during these two years so that of the beginning of the third year, a larger number of works would have been ready for the execution stage. The Committee do not agree with the Ministry that this could not be done because of heavy constraints on sanctions. The proper course for the Ministry would have been to have the preparatory work completed in respect of a larger number of schemes, sanction them under two categories viz. high-priority and low priority works so that schemes of high priority could at least have been completed first. The Committee are surprised to note that even the works of widening and/or strengthening of National Highways which were accorded high priority in the fourth Plan were ignored to a large extent. In some States such as Kerala, Madhya Pradesh, Maharashtra, Uttar Pradesh and Orissa, the gap

between the works planned originally and those actually sanctioned was substantially large and the number of such works sanctioned ranged between 46 per cent to 74 per cent of the number of works planned. The Committee need hardly emphasise that in view of the limited resources available for road works the annual programme of the Plan should be so tailored and phased that urgently needed items of works invariably receive high priority and are completed in time.

[Sl No. 26 para 2.103 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

It may be stated that the Ministry do accord high priority to the works which are considered of urgent and essential nature at the time of formulation of the five year Plans. After the Plan has been finalised, at the time of Annual Plan reviews also care is taken to ensure that works needing high priority are included in the annual programmes.

It may also be mentioned that the implementation of the Plan projects invariably depends upon the availability of resources and any financial constraints do result in some shifting of priorities laid down earlier both at the sanction stage as well as in the case of some 'ongoing' works. This has to be resorted to with the sole objective of deriving maximum benefits within the available funds. The suggestions made by the Committee will also be kept in view for future planning works.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol.II, dated 27-6-1978]

**Recommendation**

One of the reasons advanced for the shortfalls in expenditure during the years 1969-70 and 1970-71 is the non-availability of Second IDA credit. The Committee regret that Government unnecessarily waited for a considerably long time in negotiating for the credit, which ultimately did not materialise and resulted in holding up of the sanctions of a number of road works. It would have been more prudent to make necessary funds available from internal resources and proceed immediately with the execution of the works, as soon as it became clear to the Ministry that foreign aid was not going to materialise. Evidently, the country had to pay heavily for

lack of this fore-thought as the works had to be deferred for two years for non-availability of IDA credit and ultimately these were financed from internal resources.

The Committee are, however, glad that Government have learnt a lesson from this experience for not proceeding negotiations for the next I.D.A. credit proposed in 1974.

[S. No. 28 (Para 2.105) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The observations of the Committee have been noted.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78-Vol.II, 13-7-78]

**Recommendation**

The other reasons for shortfalls in the expenditure during the first 2 years of the 4th Plan were (i) organisational inadequacies both at Centre and State levels and (ii) shortage of material like cement, steel, etc. The Committee are constrained to point out that for the execution of an ambitious 4th Plan of the magnitude of Rs. 418.00 crores, the highway authorities did not resort to any advance planning to assess the requirements of men, material and equipment that were needed for efficient and successful implementation of the Plan projects. This sorry state of affairs has been depicted by the Committee for suggesting Measures to Expedite the Execution of Bridge and Roads in its report (1972) that "the organisations have no resources of men to carry out even a fraction of the work required for it and what is needed to be done in the context of the needs of the Highways in the country". The Committee find that it was only in the third year of the Plan, when things had gone away and works had already suffered for more than two years, that the authorities woke up and took some steps to augment the staff both at Centre and State levels. *The Committee need hardly stress that there is need for detailed study of availability and capability of resources of men, material and equipment sufficiently in advance of the consideration of the projects to be included in any Five Year Plan so that there is no let up in the efforts to execute the projects within, specified targets. Such a concept would facilitate plan formulation on a realistic basis, both in respect of costs of works and availability of resources.*

[S. No. 29, Para No. 2.106 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The recommendations of the Committee have been noted for necessary action. It may, however, be added that action on the lines indicated by the Committee pre-supposes the provision of funds on a sustained basis for execution so that works could be executed on a planned basis in the light of the availability and capability of resources of men material and equipment. However, experience over the past plan periods has shown that due to financial constraints which develop in our economy every now and then, and which are beyond any-body's control it has not been possible to keep up the provision of funds at a constant rate on the basis of provisions included in the Plan and the result is that organisational inadequacies of the type referred to by the Committee cropped up. Nonetheless, as indicated above the recommendation of the Committee regarding advance action for assessing the availability of men, material and equipment has been noted for compliance and for action at the appropriate time. Actually, the Ministry has since set up separate Monitoring and Evaluation and Planning Cells for all this advance action and even the agency charges of States have been stepped up to 9 per cent to meet their staff requirements.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78, Vol. II, dated the 19-6-78].

**Recommendation**

The Committee note that there were significant divergences in the average cost per kilometre in widening and strengthening of works on National Highways sanctioned during the Fourth Plan. The costs varied from Rs. 1.25 lakhs to Rs. 2.5 lakhs per Km. in the States. Bihar, Kerala, Maharashtra, Uttar Pradesh and West Bengal had the highest cost per Km. The cost of construction also varied from year to year, as for instance, the estimated cost of construction per Km. of widening and strengthening (single lane to 2 lanes) ranged from Rs. 1.20 lakhs to Rs. 3.50 lakhs in 1971-72 but rose to Rs. 4.70 lakhs in 1975-76. Similarly, the construction cost of roads of bye-passes ranged between Rs. 2.10 lakhs to Rs. 6.10 lakhs per Km. in 1974-75. The Committee agree that there are several factors like the cost of land acquisition, varying soil and climatic conditions, cost of labour and material in different parts of the country, which affect the cost of construction of roads; but they feel that there is still scope and need for effecting economy and improvement at various stages of construction. It is an established fact that maximum scope of economy in construction can be done at the planning stage by better

selection of alignment and ensuring technical soundness. The Committee further feel that better utilisation and maintenance of machinery and equipment, reduction in earth work requirements, well-knit organisation for over-seeing the construction, maximum utilisation of locally available man-power and materials can go a long way in reducing the cost of construction. The Committee need hardly emphasize that the cost of construction should be kept under constant review both by the Director General (Roads) and the State Highways authorities so as to take concerted measures to effect economics without detriment to the quality of works.

[Sl. No. 30 (Para 2.107) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The recommendations of the P.A.C. have been noted and also communicated to the State Governments for information and follow-up action. As it is the road construction and maintenance costs are constantly under review in this Ministry for effecting economy etc.

[Ministry of Shipping and Transport O. M. No. B-29(1)/78 Vol. II, dated the 1-7-78].

**Recommendation**

The Committee would like to make the following further recommendations in regard to the execution of projects by the Central| State authorities:—

(i) There should be a single authority in-charge of a National Highways and other Centrally financed roads in each State which should coordinate, control and watch progress of all activities including land acquisition, construction, purchases of machinery and other allied matters.

(ii) A separate organisation working under the overall control of the authority mentioned above should be responsible for framing accurate estimates as far as possible and for keeping accurate accounts of the expenditure incurred and to be incurred from time to time.

(iii) the terms of contracts to be entered into with various parties should be carefully studied to ensure economy and adherence to the time schedule.

(iv) The Ministry should satisfy themselves at all stages why a revision of the original estimate is necessary and

whether the reasons adduced in support of revision do not lead to wasteful and unnecessary expenditure.

(v) Immediately after deciding to start a project, Government should ensure that preliminary and consequent steps, namely, the acquisition of lands placing orders for the purchase of plants equipments etc. are taken in hand and in proper sequence so that the original estimates do not become out of date.

[S. No. 32 (Para 2.109) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

This Ministry is fully alive to the requirements indicated by the Committee. We have brought to the notice of the State Governments from time to time the need and urgency for setting up of an exclusive organisation for handling National Highway and other Centrally Financed Works and have raised the matter in the Meetings of the State Chief Engineers and the Transport Development Council as well. This matter was discussed at length in the Chief Engineers' Meeting held at Panaji on 4th June'78 and a revised model set up for a Highway Department for Central Sector Road Schemes was suggested to the State Governments for adoption by them. The set up takes into consideration, the various requirements indicated by the Committee like preparation of accurate estimates, better Coordination, Control and Watch on progress of all activities including land acquisition, construction, purchase of machinery and other allied matters. The details and a copy of the revised model set up has been furnished to the Committee in reply to Serial No. 71 (Para No. 4.31).

2. The recommendations of the Committee contained in the above para have also been brought to the notice of the State Governments for taking appropriate action and for intimating to this Ministry the steps taken by them in this direction. Sub-para (iv) of the recommendation which is mainly meant for this Ministry has been noted. This Ministry, however, has always been vigilant and have been taking steps with a view to avoiding as far as possible, revision of estimates.

[Ministry of Shipping and Transport O. M. No. B-29(1)/78, Vol. II, dated the 16-8-78]

**Recommendation**

The Committee understand that the Roads Wing and Indian Roads Congress have issued a series of guidelines standards and circulars to bring about improvements in the preparation of projects for roads and bridges works. The Committee would like the Ministry of Shipping and Transport to collect and collate such instructions and circulars and bring them out in the form of a compendium for use of all Highway authorities.

[S. No. 33 (Para 2.110) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

*Roads Projects*:

The Indian Roads Congress have recently brought out a manual for survey, investigation and preparation of road projects. This manual, which is comprehensive on engineering, traffic materials surveys and on investigations and on preparation and presentation of road projects refers to relevant I.R.C. publications and to this Ministry's Specifications, which need to be consulted for designing estimating, and preparation of need Projects. Further, a consolidated letter listing the publication and letters has recently also been circulated to serve as a Compendium. (Annexure)

*Bridge Projects*:

Another I.R.C. manual for survey, investigation and preparation of bridge projects is in an advanced stage of finalisation. This manual would be self-contained and incorporate the guidelines so far issued by this Ministry and would refer to the relevant I.R.C. publications and to this Ministry's specifications. It is felt that this manual will give all the guidelines needed for preparation of bridge projects.

The States have also been intimated a comprehensive and consolidated list of references of various I.R.C. Codes/Special publications Ministry's Circulars and Guidelines related to the preparation of road and bridge projects. It is felt that the two manuals alongwith the aforesaid consolidated list of references would serve the desired needs of survey and investigation to be carried out by the field engineers in preparing well planned and economic road and bridge projects.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78, Vol. II, dated 10-7-1978]

ANNEXURE

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING AND TRANSPORT
ROADS WING

Telegrams
*ROADING*
No. NHIII|P|31|77

Transport Bhavan
1, Parliament Street
*New Delhi the 31st May*, 1978

To

All the Chief Engineers and Addl. Chief Engineers concerned with NHs in the States and Union Territories.

SUBJECT: *Survey, investigation, project preparation etc. for National Highway (Road) Works.*

Sir,

Brig. Gobindar Singh, Additional Director General (Road) has in his d.o. letter No. PL-86(1)|74-NHVI dated the 18th March, 1978, suggested that the survey-cum-investigation etc. for National Highway(Road) Projects may be to the guidelines given in the Indian Roads Congress Special Publication No. 19: "Manual for Survey, Investigation and Preparation of Road Projects". After completing the survey and investigations to the above guidelines etc. the next requirement would be of desiging, estimating and preparing the project. Those stages in finalisation of a project are also comprehensively covered by various IRC Standards and|or by this Ministry's letters. It is, therefore, requested that he National Highway (Road) Projects, surveyed and investigated to the IRC guidelines (Special Publication No. 19) should further be designed, estimated, prepared and presented taking help of and giving due attention to the IRC Standards and this Ministry's circular letters given in the list enclosed and of any other IRC Standard and Roads Wing's circular in the knowledge of the State Chief Engineers.

Yours faithfully,
Sd|-
(N. H. Keswani)
Chief Engineer
for Director General (Road Development)

Encl: As above

Copy with a copy of the enclosure forwarded for information and necessary action to:—

1. All CEs (Roads), SEs (Roads) and EEs (Roads).
2. All ROs. and ELOs.

Yours faithfully,
Sd|.
(N. H. Keswani)
*Chief Engineer*
for Director General (Road Development)

Encl: As above.

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Copy with a copy of the enclosure forwarded for information and necessary action to:—

1. All CEs (Roads), SEs (Roads) and EEs (Roads).
2. All ROs and ELOs.

(N. H. Keswani)
*Chief Engineer*
for *Director General (Road Development)*

Encl: As above

## PUBLICATION OF THE INDIAN ROADS CONGRESS AND LETTERS OF THE MINISTRY OF SHIPPING & TRANSPORT (ROADS WING) COVERING SURVEY, INVESTIGATION, DESIGNING, ESTIMATING AND PROJECT PREPARATION OF NH ROAD WORKS.

A. *Survey, Investigation and Project Preparation*

IRC Special Publication No. 19 of 1977 : Manual for Survey, Investigation and Preparation of Road Projects.

B. *Designs and Estimates*

I. IRC *Publications :*

| | | |
|---|---|---|
| (i) | Geometric design . . . | Standard for Rural Highways (under preparation). |
| (ii) | IRC: 32-1969 . . . . | Standard for Vertical and Horizontal Clearances of Overhead Electric Power and Telecommunication Lines as Related to Roads (in metric Units). |
| (iii) | IRC: 34-1970 . . . . | Recommendation for Road Construction in Water-Logged Areas. |
| (iv) | IRC: 38-1970 . . . . | Design Tables for Horizontal Curves for Highways. |
| (v) | IRC: 39-1970 . . . . | Standards for Road-Rail level Crossings. |
| (vi) | IRC: 41-1972 . . . . | Type Designs for Check Barriers. |
| (vii) | IRC: 54-1974 . . . . | Lateral and Vertical Clearances. |
| (viii) | IRC: 52-1973 . . . . | Recommendations about the alignment Survey and Geometric Design of Hill Roads. |
| (ix) | IRC: 62-1976 . . . . | Guidelines for Control of Access on Highways. |
| (x) | IRC: 64-1976 . . . . | Tentative Guidelines on Capacity of Road in Rural areas. |
| (xi) | IRC: 65-1976 . . . . | Recommended Practice for Traffic Rotaries. |

(xii) IRC: 66-1976 . . . . Recommended Practice for Sight Distance on Rural Highways.

(xiii) Special Publication 13-1973 . Guidelines for the Design of Small Bridges & Culverts.

(xiv) IRC: 37-1970 . . . . Guidelines for the Design of Flexible Pavements.

(xv) IRC: 58-1974 . . . . Guidelines for the design of Rigid Pavement for Highways.

(xvi) IRC: 10-1961 . . . . Recommended Practice for Borrowpits for Road Embankments Constructed by Manual Operation (First Reprint).

(xvii) IRC: 36-1970 . . . . Recommended Practice for the Construction or Earth Embankment for road works.

(xviii) IRC: 56-1974 . . . . Recommended Practice for Treatment of Embankment Slopes for Erosion Control.

(xix) Specification for road and bridge works, Ministry of Shipping & Transport (Roads Wing).

(xx) IRC: 2-1968 . . . . Route maker signs on National Highway.

(xxi) IRC: B-1969 . . . . Type design for Highway Kilometre stones.

(xxii) IRC: 26-1967 . . . . Type designs for 200 metre stones.

(xxiii) IRC: 35-1970 . . . . Code of Practice for Road Makings.

(xxiv) IRC: 67-1977 . . . . Code of Practice for road signs.

(xxv) Manual for land scaping of high ways including Arboriculture (under preparation).

(xxvi) Special publication 15-1974 Ribbon Development along highway and its prevention).

(xxvii) IRC: 25-1967 Type design for boundary stones.

(xxviii) Road drainage practice around the world special publiation No. 5-1967.

(xxix) IRC. 49-1973 . . . . Recommended Practice for the Pulverigation of Black cotton soils for line stabilization.

(xxx) IRC: 50-1973 . . . . Recommended design criteria for the use of cement modified soil in road construction.

(xxxi) IRC: 51-1973 . . . . Recommended design criteria for the use of soil line mixes in road construction.

## *Circular for the Minitsry of Shipping and Tranport (Roads Wing) covering Survey investigation, designing and project preparation of National Highway Road works.*

| No. & date of Ministry's circular letter | Subject in brief |
|---|---|
| **A.** *Standards, Designs and Estimates* : | |
| (i) NHI-37(2)/70 dt. 2-4-70 | Development Plan of National Highways during 1970-77. |
| (ii) NHI-40(3)/71dt. 29-1-71 | Sitting of bridges and fixing alignment of approaches thereto. |
| (iii) NHIII/Misc/95/75 dt. 30-10-75 | Providing guard stones on high embankments. |
| (iv) PL-67(5)/76 dt. 17-5-176 & 31-5-77 | Camber for road surfaces for NHS in rural locations. |
| (v) PLO30(147)74 dt. 26-7-76 | Treatment of cut sections in road formation. |
| (vi) PL-67(12)76 dt 10-9-76 | Fixing grade lines for new roads/existing roads proposed to be raised. |
| (vii) PL-67(4)76 dt. 21-3-77 | Fixing top level of guide bunds and immediate approaches to bridges. |
| (viii) NHIV-50(20)/77 dt. 27-9-77 | Fixing deck level of Bridges and culverts. |
| (ix) NHIII/P/35/77 dt. 24-12-77 | Ensuring fluent grade lines at culvert locations. |
| (x) PL-30(20)/77 dt. 21-2-78 | Gradients for approaches to railway overbridges. |
| (xi) NHIII/P/30/77 dt. 25-2-78 | Integrated project planning for bridges and their approaches. |
| (xii) PL-86(41)72 dt. 13-8-73 | Soil investigations and design procedures for high embankments. |
| (xiii) NHIII/P/3/76 dt. 26-7-76 | Collections and presentations of rail investigations data for pavement design. |
| (xiv) PL-50(13)/74 dt. 10-9-74 | Treatment of slipping, sliding and unstable stretches of road formation. |
| **B.** *Amenities and Arboriculture* | |
| (i) NHIII/P/15/75 dt. 20-5-76 | Plantations, maintenance and cutting of trees. |
| (ii) PL-30(41)76 dt. 7-7-76 | Wayside amenities and land scaping etc. |
| 3. *Revised Estimates, Check Lists, etc.* | |
| (i) NHIII/P/50a/76 dt. 1-7-76 | Check lists for revised estimates for road and bridges works. |
| (ii) NHIII/P/31/77 dt. 28-10-77 | Preparation of detailed project estimates for roads and bridge works avoidance of revision. |
| (iii) NHIII/P/31/77 dt. 28-12-77 | Preparation of detailed project esimates for road and bridge works avoidance of revision. |

Government of India
Ministry of Shipping and Transport
(Roads Wing)

TELEGRAMS
*ROADIND*
No. NHIII/2I31/77.

TRANSPORT BHAVAN
1, Parliament Street
New Delhi, the 31st May. 1978.

To

All the Chief Engineers/Addl. Chief Engineers of States/U.Ts dealing with Roads.

SUBJECT:—Need for proper and thorough survey, investigation and prepration of bridge projects.

Sir,

The importance of proper and thorough survey, site investigation, surface and sub-surface explorations, collection of hydaulic data and other inputs leading to the preparation of economical and well planned bridge projects have time and again been impressed upon the State Chief Engineers through numerous circular letters in the past.

2. In order to facilitate the field engineers in preparing and presenting adequately investigated road and bridge projects, this Office has prepared a consolidated list of IRC Codes/Special Publications/Ministry's Circulars and Guidelines issued so far on bridge project preparation etc. and the same is enclosed. It is suggested that the preparation of Central and Centrally sponsored bridge projects be suitably based on these Codes/Circulars/Guidelines. The consolidated list of references may be brought to the notice of all the engineers in your Department engaged in the work of survey, investigation and preparation of bridge projects.

Yours faithfully.

(A. D. Narain)
Superintending Engineer
for Director General (Road Development)

Encl:—As above.

Copy with enclosure for information to:

1. All the Technical Officers at headquarters.

2. All Regional Superintending Engineers/Engineer Liaison Officers.

(A. D. Narain)
Superintending Engineer
for Director General (Road Development)

Encl: List.

*GROUP I.*

*SURVEY AND INVESTIGATIONS*

1. I.R.C. Bridge Code Section I, I.P C. 5—General Features of Design.

2. Ministry of Shipping & Transport (Roads Wing) Circular letters:

(i) NHV-11 (6) /73 dated 19-11-1974—Ensuring Safety of bridge structures—"Guidelines for Engineers".

(ii) NH/III/P/15/78 dated 26-4-1978—Guidelines for subsurface Investigations for Bridge Foundations.

(iii) NHII/Misc/12/75 dated 2-7-1975—"Level surveying for National Highway Road and Bridge Projects"—Reference to G.T.S. Bench Marks.

(iv) NHI—40 (3) /71 dated 29-1-71—Silting of bridges and fixation of alignment of approaches thereto on National Highways and other Centrally financed road projects.

3. I.R.C. special Publication 9. "Report on rating of bridges".

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*GROUP* II

*PROJECT PREPARATION*

1. Ministry of Shipping & Transport (Roads Wing) Circular letters—

(i) No. PL—2 (1) /70 dated 18-1-1971, "Standardisation of the Procedure and data for preparation of Bridge Projects relating to National Highways and other Centrally aided schemes".

(ii) No. NHIII/P/30/77 dated 19-10-1977, "Need for coordination between the construction of bridge and their approaches for the completion of both the components simultaneously".

(iii) NHIII|Misc|51|73 dated 19-10-1973, "Proper location of culverts and bridges, and selection of appropriate design of parapet|hand rails for these, so that the structures fit in well with the road side".

(iv) N. 8/GR/128—W—NHVA dated 8-10-1975, "Construction of guidebunds for training of rivers—Provision of extra height as compensation for anticipate settlement of embankment of guidebunds".

(v) NHIII/P/75/76 dated 9-12-1976, "Construction of new bridges on National Highways at the sites of existing bridge—Guidelines to be followed in case of".

(vi) NHIII/P/1/75 dated 24-11-75, "Electrification of bridges on National Highways".

(vii) PL—67(35)|76 dated 14-1-1977, "Construction of bridges across irrigation canals and distributories on National Highways and other centrally financed roads".

(viii) PL—67(4)|76 dated 21-3-1977, "Criteria for fixing the top level of Guide Bunds, Approaches behind Guide Bunds in the Khadir width Plain of river which are constructed by road embankments".

(ix) NHIV—50(30)/77 dated 27-9-1977, "Fixation of the deck level of high level bridges and culverts across drainage for National Highways".

(x) NHIII|P|30|77 dated 25-2-1978, "Requirement for integrated project planning for construction of bridges on adjacent streams with overlapping catchment and approaches to the same".

(xi) PL—30(20)|77 dated 21-2-1970, "Gradients for approaches to Railway Overbridges on National Highways".

(xii) NHI—37(2)|70 dated 2-4-1970, "Plan for the Development of National Highways during 1970-71".

(xiii) LR—16(150)/66 dated 21-12-1971, "Provision of wearing coat on bridges and culverts being constructed on National Highways and other Centrally financed roads".

(xiv) RM—16(1)|71 dated 23-10-1974, "Report of the Committee on Economy in consumption of steel".

*GROUP III*

## GENERAL GUIDELINES ON DESIGN OF HIGHWAY BRIDGES

1. I.R.C. Bridge Codes

   (i) Section I—General Features of Design.

   (ii) Section II—Loads and Stresses.

   (iii) Section III—Cement concrete (Plain and Reinforced).

   (iv) Section IV—Brick, stone and Block Masonry.

   (v) Section V—Steel Road Bridges.

   (vi) Section VI—Composite construction for Road culverts and Medium span Bridges.

2. IRC 18—Design criteria for Prestressed concrete Road Bridges (Post-tensioned concrete).

3. IRC 45—Recommendations for estimating the residence of soil below the maximum scour level in the design of well foundation for bridges.

4. IRC Special Publication 13: "Guidelines for the design of small bridges and culverts".

5. IRC Special Publication 9: "Report on rating of Bridges".

6. Ministry of Shipping & Transport (Roads Wing): "Specification for Road and Bridge Works".

7. Ministry of Shipping & Transport (Roads Wing) Circulars—

   (i) NHIII/P/75/76 dated 9-12-1976 "Guidelines construction of bridges in place of existing bridges".

   (ii) PL-86(4)/74 dated 8-2-1976, "Maximum allowable diameter of High yield strength deformed bars".

   (iii) PL-87(16)|75 dated 26.3.1975, "Design Procedure for shear in Prestressed concrete Deams of Road Bridges for all bridge works on National Highways and other Centrally Aided schemes—Provisional modifications to clause 141 of IRC: 18—1965 (Design Criteria for Prestressed concrete Road Bridges)—Reg".

   also corrigendum on above *vide* letter of even number dated 2.7.1975.

(iv) SP-67(6)|61 dated 7.5.64, notice inviting tenders for construction of bridges financed in full or in part from the Central Funds—Walls founded on Rock.

(v) Transport—Communication monthly review Sept. 1952 Note issued by M.O.T. "bridges in Spill Zones of Fig streams or rivers".

(vi) PL-67(17)/68-SP dated 7-6-1968, "Loading conditions of bridges with T-Head or Hammer head piers during erection".

(vii) SP-67(1)65 dated 28-7-1966, "Designing of footways on road bridges for a 4-Ton wheel-Uniform procedure for.

8. Ministry of Shipping & Transport (Roads Wing): Standard Designs—

(i) Standard Plans for Highway Bridges. Vol. I comprising of (Note for mild steel reinforcement).

(A) R.C.C. simply supported slab bridges.

(a) without footpaths—spans 3, 4, 5, 6 & 3m.

(b) with footpaths—spans 4, 6 & 8m.

(B) R.C.C. simply supported skew slab bridge without footpaths—shew angle 15° to 60° spans 5, 6 & 8m.

(C) R.C.C. T—Beam Bridges—with and also without footpath spans 10, 12, 15, 20 and 25m.

(D) Composite construction Bridge—without footpaths—span 12mm.

(E) R.C.C. Box cell Bridges without footpaths 3 cells of 3m. clear span—height 15, 2 and 25m.

(F) R.C.C. Railings for Bridges with and also without footpaths—Types I, II & III.

(G) Wearing coat, expansion joints and Drainage spouts.

(ii) Standard Plans for Highway Bridges—Vol. II comprising of (Note: for High yield strength deformed bars).

(A) R.C.C. slab type right bridges with and without footparths—spans 3.37 to 10.37m. with 1m. interval.

(B) R.C.C. piers for bridges in (A) above.

(C) R.C.C. slab type skew bridges—skew angle 15°—60°.

(a) with footpath—spans 4.37 to 8.37m.

(b) without footpaths—spans 5.37 to 8.37m.

(III) Standard drawings for R.C.C. T—Beam superstructure using high yield strength deformed bars.

(a) without footpaths—spans—10.5 to 21.75m.

(b) with footpaths—spans—10.5 to 16.5m.

**Recommendation**

The Committee note that the Ministry of Shipping and Transport is responsible for overall national policies relating to road planning and development and for provision of funds from the central budget for outlay on National Highways and centrally financed roads. The actual work of construction, development and maintenance of National Highways and other Central roads works is done by the respective State Governments' Public Works Departments who prepare the estimates and forward the same through the State Governments to the Roads Wing of the Central Ministry for technical approval and financial and administrative sanction. For the services rendered by the State Public Works Departments the Roads Wing pays them an 'agency charges' of 9 per cent of the estimated cost of works. Besides sanction of estimates, the Roads Wing also prepares standard designs of roads and bridges and publishes them for the guidance of the executing agencies. There are Regional Officers (R.Os.) and Engineer Liaison Officers (E.L.Os.) who function as the Ministry's local representatives with the State Public Works Departments. One of the functions of these R.Os. and E.L.Os. is sending of periodical reports as directed by the Roads Wing on the progress of works and maintenance of National Highways falling in their respective jurisdictions.

[S. No. 34 Para 3.32 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

This observation is a factual statement of the procedure followed in respect of National Highways and other Central Sector Road Schemes. Government have noted the contents. No further action seems to be called for on the part of the Ministry.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 19-6-78]

**Recommendation**

The Committee are concerned to note that while the outlay of Rs. 418 crores in the Fourth Plan was nearly 2½ times of the Third

Plan, the staff available with the Roads Wing in the beginning of the Fourth Plan period was only 2/3rd of the staff during the Third Plan period. What distresses the Committee more is the fact that a process of shedding off the staff started following the study made by the Staff Inspection Unit of the Ministry of Finance without taking an overall and judicious view of the work-load that would come up in the Fourth Plan. It was only in February 1972 that the headquarters staff of the Roads Wing was augmented on an *ad-hoc* basis by the addition of five Chief Engineers, 12 Superintending Engineers, 38 Executive Engineers and 38 Assistant Engineers among the technical staff.

[S. No. 35 of Appendix XIV to 16th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The position indicated by the Committee in this para has been noted.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

How the organisational inadequacies and deficiencies, both at the headquarters and regional offices have affected adversely the central road works has been commented upon by the Departmental Committee set up for suggesting Measures to Expedite the Execution of Bridges and Road Works. That Committee has *inter-alia* observed that "the Roads Wing has hitherto not played an active role in the matter of construction of National Highway works. Lack of adequate personnel both at the headquarters office and at the Regional Offices of Roads Wing in order to achieve effective overseeing of construction activities and inadequate system of reporting and analysis of progress of works both physical and financial have mainly contributed to this passive and rigid attitude of the Roads Wing towards construction of National Highway works."

[S. No. 38 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The position indicated by the Committee in this para has been noted.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee note that lately some steps have been taken to strengthen the regional set-up of the Roads Wing. The recently approved proposals for restructuring of the Roads Wing envisage augmentation of the six regional offices at Calcutta, Patna, Lucknow, Jaipur, Bombay and Bangalore by establishing three mode regional offices at Chandigarh, Gauhati and Madras. In addition to the State capitals where Engineers Liaison Officers are already posted, Government also propose to post Engineer Liaison Officers at some more stations such as Panaji, Jorhat and Imphal.

[S. No. 39 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The three Regional Offices at Chandigarh, Gauhati and Madras have since been set up. Similarly, Engineer Liaison Officers have been posted at Panaji, Jorhat and Imphal.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee feel that the essence of the matter lies in investigating, planning and execution of the construction and maintenance works for the national highways and other centrally sponsored roadways schemes in the most efficient and economical manner. The Committee feel that Government who have experience of nearly 3 decades should be able to have a set up which is both compact and expert in this technical field. It appears to the Committee essential that the regional offices which have to maintain an effective coordination with the State authorities which are entrusted with the execution of the works are manned by Engineers of experience, technical standing and expertise and administrative skill to ensure that the work is got executed smoothly and in accordance with planned targets.

[S. No. 40 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The selection of the officers to man the posts of Regional Officers and Engineer Liaison Officers is made keeping in view the requisites mentioned in this para.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee stress that there should not be overemphasis on numbers or a sense of complacency developed by talking of the percentage of expenditure incurred on the organisation as compared to the total turn-over, for the Roads Wing have essentially to perform a limited but essential function of planning and overseeing while the actual work is being done through State agencies. The officers and supporting staff should be of the highest calibre. but minimum in number of achieve this objective.

[S. No. 41 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

Noted.

The in-service training imparted to the officers in the Roads Wing helps them to develop the necessary expertise to handle the specialised nature of work relating to project preparation, design construction and maintenance of roads and bridges.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee are distressed to note that the position in regard to organisational set-up in the States to handle the National Highways and other central road projects during the Fourth Plan period was far from satisfactory. In fact, the Ministry of Shipping and Transport have conceded that there were serious inadequacies in regard to the organisational structure in as much as most of the States had mixed staff handling all types of works at the Chief Engineers headquarters and in the field where central projects lost their identity and adequate care was not possible in respect of standards, specifications, speed etc. Despite the efforts made by the Ministry at Ministerial level and other various forums, e.g. periodical meetings

of the Chief Engineers held at Kulu, Darjeeling, New Delhi and Madras during the period from 1967 to 1970, the response of the State Public Works Departments to set up exclusive organisations in the states for National Highway works including a separate set up for survey investigation and project preparation and for ensuring quality control has not been encouraging as according to the Ministry only about 60 per cent of the states had created exclusive organisations for investigation and design by the end of 1972-73. The Committee note from the information now furnished by the Ministry that there are a number of States|Union Territories, e.g. Gujarat Himachal Pradesh, Kerala, Manipur, Rajasthan, West Bengal, Chandigarh, Delhi and Goa which have not yet set up an exclusive organisation. There are certain other States, e.g. Andhra Pradesh, Karnataka, Maharashtra etc. where the exclusive set up of construction of roads has since been either dismembered or modified.

[S. No. 42 para 3.40 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The observations of the Committee contained in para 3.40 are a statement of facts and have been noted. It may be however, added that building up of organisational capacities in States depends primarily upon a sustained allocation of funds according to a phased plan. Unless this is assured, proper organisations cannot be sustained at a constant level. However, this is not possible due to financial stringency which develops every now and then in our economy. However, this Ministry does go on pressing for larger and larger allocations of funds on the one hand and continues urging upon the States to keep the exclusive character of the organisations created by them for National Highways so as to be able to devote proper attention to National Highways and other Central Sector Road Schemes. This is an effort which the Ministry has been making in the past and would continue to make in the future also.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 19-6-78]

**Recommendation**

The Committee feel that apart from the structural reorganisation with a view to lay more emphasis on the monitoring aspect, what is more important is the devising of the proforma which helps to feed back the essential information about progress made to the Head Office

of the Roads Wing and enables it to take remedial measures without loss of time.

[S. No. 47—Para 3.45 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

The Committee has impressed the importance in devising of a proforma which helps to feed back the essential information about the progress made and to take remedial measures without loss of time.

The Roads Wing have already evolved a very exhaustive proforma for submission of quarterly progress report wherein apart from the descriptive contents of the report, a Bar Chart presentation of various elements of works based on quarterly targets and actual achievements is also included for assessment of shortfalls and to take remedial measures in good time to gear up the machineries to adhere to the target date of completion as far as possible. We have been repeatedly impressing upon the State Governments the imperative need to feed back the essential information of all ongoing works in the prescribed proforma in time and in complete shape so that no information is left out.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II Dated. the 27-6-1979)].

**Recommendation**

The Committee further note that in the Roads Wing a separate monitoring zone has been set up recently at the level of Chief Engineer and that the Ministry have also introduced in 1976 a system of "Monthly letters" to be written by State Chief Engineers to the Director General (Roads) regarding the problems requiring urgent attention which would help in receiving attention at the highest level both in the States and in the Ministry. The Committee have earlier recommended that the Ministry should immediately introduce a P.E.R.T. Chart for every project and along with it also devise an in-built mechanism for fixing the responsibility for delays in the execution of the projects. The Committee hope that these measures, with augmented staff in Roads Wing and at Regional Officers/Engineer Liaison Officers levels, would lead to timely submission of progress reports between the States and the Roads Wing on one hand and between the Roads Wing and the Regional Officers/Engineer Liaison Officers on the other.

[S. No. 48—(Para 346) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

We have been receiving progress Bar Charts along with prescribed quarterly progress reports which shows clearly the targets for entire completion period and corresponding progress made for different elements of projects. These Bar Charts and progress reports are also effective means of keeping a watch for monitoring the progress. However, adoption of PERT/CPM Chart is a further effective system of programming and scheduling of execution of works and their monitoring. Roads Wing have been alive to the need for adopting PERT/CPM Chart for all major schemes in order to keep a watch on the progress of various activities involved and to undertake remedial measures wherever schedules are not adhered to.

In this connection, the State Governments were addressed in July, 1974 to obtain their views. After analysing their replies, we again wrote in June, 1976 appreciating the difficulties expressed by them in the adoption of network techniques and advised them that a beginning should be made on some of the major projects. The States' difficulties were that the length of sanctioned road projects was not adequate and that the contracts for road works were usually split up horizontally and vertically to utilise small local contractors and co-operative societies. Further, the allotment of funds was often inadequate and the timely supply of materials was generally an unreliable factor over which there is practically no control. And, lastly there was a lack of trained staff in the P.W.D. for adopting this new technique. There is one more factor inhibiting the use of this technique which has not been mentioned by the States but is relevant to the issue. It is a problem of labour unrest and its consequent non-availability in adquate measure and at the required point of time. We have then suggested that for adopting CPM techniques. the length of the road should be about 30 kms. and for this purpose they could club similar types of works in adjacent reaches into a single lot at the tender stage. It was also mentioned that preparation of net work techniques do not need a highly specialised training and that Indian Roads Congress publication on this was available and that the States could depute some of their officers to attend special courses of short duration run by the Indian Institute of Public Administration in New Delhi for learning the techniques. In March, 1977 the State Governments were again addressed in the matter eliciting their views by the end of April, 1977 on the adoption of net work techniques for roads financed from the Central funds. In that letter we had, however, suggested that the require-

ment of CPM Charts would be mandatory for all Centrally financed works, each costing Rs. 1 crore or more and specific provisions should be made in the N.I.T. document for this purpose. The replies received from a number of States indicate that there are practical difficulties in adopting CPM/PERT techniques on road works and hence the adoption of this technique should not be insisted upon till such time that the staff in the State PWDs gains experience from the adoption of this technique on bridge works costing Rs. 1 crore or more where they would like to adopt this technique, to make a beginning. In view of the foregoing, we have recently issued instructions to all State Governments requesting them for the use of CPM techniques on bridge works costing Rs. 1 crore or more financed from Central funds.

Every endeavour will, however, be made to popularise this technique not only for bridge works but for all types of works including road works even with a lesser financial limit after gaining sufficient experience in the matter.

It has been suggested by P.A.C. that along with adoption of PERT Chart we should also devise an in-built mechanism for fixing the responsibility for delays for the execution of projects. In this connection, it may be mentioned that the contract agreements, however, normally do provide for dealing with cases of delayed executions of works by contractors by suitable penalty clauses, etc. which the States are expected to operate upon in cases where delays cannot be justifiably explained by a contractor, *i.e.* cases where extensions of contract time limits may not stand justified before contract operating authority in the States.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II, Dated, the 27-6-1978].

**Recommendation**

The Committee note that while the outlay on maintenance and repair of National Highway increased from Rs. 5.79 crores in 1961-62 (beginning of 3rd Plan) to Rs. 15.72 crores in 1973-74 (end of 4th Plan) registering an increase of 172 per cent, the annual expenditure per kilometre rose from Rs. 2835 in the 3rd Plan to Rs. 5680 during the 4th Plan, registering an increase of 100 per cent only. It is significant that this upward trend in road maintenance expenditure per kilometre came in the wake of the recommendations of the Technical Group of Chief Engineers which was set up in 1968 at the

instance of the Ministry with a view to suggest appropriate norms for assessing the maintenance requirements of National Highways.

[Sl. No. 49—(Para 3.66) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)].

**Action Taken**

In this para the PAC has merely stated the facts and not given any comments or recommendations. No action, therefore, seems to be called for.

[Ministry of Shipping & Transport O.M. No. B-29(1)/78 Vol. II dated the 13-7-78].

**Recommendation**

The Committee are concerned to note the excess expenditure over allotment for maintenance and repair of National Highways over a decade or so. The excesses have fluctuated from Rs. 13.97 lakhs in 1959-60 to Rs. 69.41 lakhs in 1972-73, the peak having been reached in 1971-72 (Rs. 258.03 lakhs). According to Audit, the expenditure on maintenance and repair of National Highways during the 4th Plan had exceeded the actual allotments in several States. These excesses are more significant in the case of West Bengal, Assam, Himachal Pradesh, Nagaland, Manipur and Karnataka where the expenditure exceeded from 10 per cent to about 36 per cent. The Committee would like to draw attention, in this connection, to the recommendations contained in 96th and 134th Reports of Public Accounts Committee (5th Lok Sabha) which *inter-alia* have dealt with in detail the expenditure on roads and stress the need for devising strict regulatory control over excess expenditure. The Committee would like to be informed of the measures taken and improvements effected in this regard.

[S. No. 52 (Para 3.69) of Appendix XIV to 18th Report of the P.A C. (6th Lok Sabha)].

**Action taken**

Though the expenditure on the development and maintenance of National Highways is met by the Central Government, actual execution is done by the State Governments as agents of the Central Government. The expenditure on these works is also incurred by the State Governments through their officers. Till September, 1976, the expenditure incurred by them was debited directly against the

Central Cash balances. As a result, in incurring the expenditure, the States were not subject to any budgetary control.

2. In order to overcome this situation, action is in hand to evolve a revised procedure for payment for National Highways on the basis of recommendations of a 'Task Force' appointed by the Government to go into the general question of excesses over sanctioned grants and steps necessary to prevent such excesses. The proposed revised procedure is being worked out in consultation with Ministry of Finance Ministry of Law and C. & A.G. In addition, Government are also tightening up their financial control to avoid excesses through various expenditure returns, constant watch over the progress of expenditure and bringing the unusual departures from the normal expected pace of expenditure to the notice of States. Steps for regulating the expenditure so as to restrict it the sanctioned grants etc. are also being taken. Recently, in this connection, the Ministry have again addressed a detailed letter to all the States and situation is expected to improve considerably in future as a result of all these measures.

3. Government is, thus fully alive to the problems and are taking necessary action. It is hoped that as a result of all these measures the problem may be solved soon.

[Ministry of Shipping and Transport, O M. No. B-29(1)|78-Vol. II, dated 5th July, 1978].

**Recommendation**

The Committee further note that advance agency charge for investigation works on National Highways is also available to the State authorities at the rate of 1.75 per cent of the estimated cost of a project and such advance payment is to be adjusted against the agency charges as and when the project is technically approved and financially sanctioned.

[S. No. 54 (Para 3.88) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action taken**

The observations made by the Committee in the above paragraph have been noted.

[Ministry of Shipping and Transport, O M. No. B-29(1)|78-Vol. II, dated the 26-6-1978].

**Recommendation**

The Committee find that during the Fourth Plan agency charges to the tune of Rs. 207.6 millions were paid to the States while dur-

ing the last 2 years 1974-75 and 1975-76 the agency charges paid are about Rs. 104.8 million.

[S. No. 55 (Para 3.89) of the Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)].

**Action taken**

The observations made by the Committee in the above paragraph have been noted.

[Ministry of Shipping and Transport, (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 26-6-1978].

**Recommendation**

The Committee stress that Government should keep a close watch on the functioning of the Corporation from the very inception to ensure that it develops on the right lines, so as to subserve the objectives with which it has been conceived

[S. No. 61 (Para 3.166) of Appendix XIV of the 18th Report of the P.A.C. (6th Lok Sabha)].

**Action taken**

Government are already acting on the lines indicated by the Committee. The recommendation has, however, been noted for further action as may be found necessary

[Ministry of Shipping and Transport, (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 19-6-1978].

**Recommendation**

The Committee note that the Central Road Fund was created by the Government of India in 1929 by earmarking the additional revenue realised by the increase of the excise and import duties on motor spirit. According to the revised Resolution, approved by Parliament in April, 1976, 80 per cent of the accruals to the fund go to the Central Road Fund (Allocations) Account and are distributed to the States on the basis of their actual petrol consumption. This amount is usable by the States with the approval of the Government of India The remaining 20 per cent goes to the Central Road Fund (Ordinary) Reserve Accounts and is retained by the Central Government for use for various purposes such as administration of the Fund, promotion of research, surveys and investigations, training of

engineers and assistance for road schemes of all-India importance, etc.

[S. No. 62 (Para 3.116) of the Appendix XIV to the 18th Report of the P.A.C. (6th Lok Sabha)].

**Action taken**

The observations made by the Committee are a statement of facts. The Ministry would, however, like to add that the revised Resolution governing the Central Road Fund was finally adopted in June 1977, as the Rajya Sabha had suggested some minor modification which were passed by the Lok Sabha in June, 1977. A copy of the revised Resolution is enclosed. Para 6 of the revised Resolution lays down the objectives. Under the revised Resolution money from both the components of the Fund, *i.e.*, Central Road Fund (Ordinary) Reserve and Central Road Fund (Allocations), can be utilised on achieving these objectives and now there are no separate criteria for financing of schemes from these two sub-division as was the case in the past.

[Ministry of Shipping and Transport, (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 5th July, 1978].

*ANNEXURE*

MINISTRY OF SHIPPING AND TRANSPORT

RESOLUTION GOVERNING THE CENTRAL ROAD FUND AS PASSED BY THE RAJYA SABHA ON THE 1ST APRIL, 1976 AND ADOPTED BY THE LOK SABHA ON THE 18TH JUNE, 1977.

"In supersession of the Resolution on Road Development adopted by the Constituent Assembly of India (Legislative) on the 19th November, 1947 and as subsequently amended by that Assembly on the 8th December, 1949 and by the Parliament of India on the 14th April, 1950, this House hereby resolves that—

1. There shall continue to be set apart an amount not less than 3.5 paise per litre out of the duty of customs and of excise levied on motor spirit and the proceeds thereof shall be applied for the purposes of road development.

2. (1) The proceeds of such an amount so set apart in any financial year, reduced by duty attributable to taxed motor spirit used in aviation during the same period, shall be credited as a block grant to a separate Road Fund to be maintained in the Public Account of India.

(2) For the purpose of this Resolution taxed motor spirit shall mean motor spirit upon which the duty of customs or excise shall have been paid and in respect of which no rebate of such duty shall have been given.

3. (1) The Road Fund shall be allocated as follows:—

(a) a portion equal to twenty per cent shall be retained by the Central Government as a Central Reserve, this percentage being applicable with effect from the allocation due for the financial year 1948-49.

(b) Out of the remainder there shall be allocated by the Central Government a portion for expenditure in each State and Union Territory specified in the First Schedule to the Constitution as near as may be in the ratio which the consumption of taxed motor spirit other than motor spirit used in aviation, in each area for which an allocation is to be made shall bear to the total consumption in the territory of India of taxed motor spirit, other than motor spirit used in aviation during the financial year concerned.

(2) The portions allocated for expenditure in the various States and Union Territories shall be retained by the Central Government until they are actually required for expenditure in the manner hereinafter specified.

(3) If in the opinion of the Central Government, the Government/Administration of any State/Union Territory has at any time

(a) failed to take such steps as the Central Government may recommend for the regulation and control of motor vehicles within the State or Union Territory; or

(b) delayed without reasonable cause the application of any portion of the Road Fund allocated or re-allocated, as the case may be, or expenditure within the State or Union Territory the Central Government may resume the whole or part of any sums which it may at that time held for expenditure in that State or Union Territory.

(4) All sums resumed by the Central Government from the account of any State Government/Union Territory Administration as aforesaid shall be re-allocated between the credit accounts of State Government/Union Territory Administration and the reserve with

the Central Government in the ratio of the main allocation for the financial year preceding the year in which the re-allocation is made.

Provided that the sums so calculated as te share of the State|Union Territory from whose account the resumption has been made shall be credited to the reserve with the Central Government.

(5) Special additions to Road Fund for financing particular projects may be accepted from source other than mentioned in para 2(1) which shall be kept in a special Reserve and utilised for such projects.

4. The balance to the credit of the Road Fund or of any allocation thereof shall not lapse at the end of the financial year.

5. No expenditure shall be incurred from any portion of the Road Fund save as hereinafter provided.

6. The Central Reserve with the Central Government shall be applied first to defraying the cost of the administering the Road Fund and thereafter the balance of Central Reserve and Central Road Fund (Allocation) shall be utilised for financing such of the schemes connected with roads as the Central Government may approve and the sums allocated for expenditure in the States|Union Territories from these sources may, subject to the previous approval of the Government of India to each proposal made, be expended upon any of the following objects, namely:—

(a) Road Research and Intelligence Schemes;

(b) Traffic Studies and Economic Surveys;

(c) Training arrangements for young Engineers;

(d) Schemes of all-India importance such as those leading to the removal of regional imbalance such as helping in the development of tribal areas, backward regions, promoting inter-State Communication facilities, helping in combating anti-social and criminal elements etc., promotion of tourism, agricultural marketing areas links etc., part contribution to programme for setting up drivers, 'conductor's and cleaners' road side resting places and passengers wayside facilities on State roads etc., road|bridge works required for National Projects like Atomic Power Stations, Industrial Undertakings etc., likely to be lost sight of by the road authorities concerned in the midst of other activities.

Provided that the amounts in the Special Reserve shall be applied only to the purposes for which they are earmarked.

7. No expenditure shall be approved by the Government of India to be incurred from the Central Road Fund without the prior approval of the Union Minister of Shipping and Transport.

**Recommendation**

The Committee are unhappy to note that after 1950 it was only in 1976, i.e., after a lapse of 25 years that Government found it necessary to review the working of the Fund by bringing forward a revised Resolution before the Parliament and that too, when some controversy had arisen that this road Fund should be merged with the General Budget. The fact that the Fund had not worked satisfactorily is evident from the statement of the Minister who had *inter alia* stated during the course of discussion in Lok Sabha on 30th March, 1976 that "in course of years, many States did not draw their funds with the result that their funds have been accumulating." *Now that the objectives of the Fund have been revised and enlarged in scope, the Committee hope that Government would take adequate measures to ensure that States/Union Territories take due advantage of it in the coming years.*

[Sl. No. 67 (Para 3.121) of Appendix XIV to the 18th Report of the P.A.C. (6th Lok Sabha)].

**Action taken**

The observation of the Committee made in the last sentence of the para reproduced above have been noted for necessary action and this has also been brought to the notice of the State Governments/Union Territories.

[Ministry of Shipping and Transport (Road Wing) O.M. No. B-29(1)/78, Vol. II, dated the 27-6-1978].

**Recommendation**

The Committee would like to make the following further recommendations in this regard:—

(a) Government may ensure that there is no diversion of funds once allocations are made for particular projects.

(b) Government may lay down clear guideline/criteria for selection of projects.

(c) Projects financed through the funds are completed and not left incomplete, as has been the case in some States,

(d) The States are kept informed from time to time of the amount outstanding in their accounts of the funds so that they may plan their works and expenditure thereon better.

The Committee would like to be apprised of the action taken in pursuance of the above recommendations.

[Sl. No. 68 (Para 3.122) of the Appendix XIV to the 18th Report of the Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The position regarding the observations made above is as under:—

(i) In the first instance, Government of India approve a detailed programme containing individual schemes and their individual casts for being financed from the Central Road Fund. These proposals, costs etc. are indicated by the States themselves.

(ii) After approval of the Programme, the State Governments themselves sanction the estimates and communicate particulars of the sanctioned estimates to the Government of India for onward transmission to Audit authorising them to admit expenditure upto the approve cost.

(iii) On the basis of the works so sanctioned and in progress, the State Government|Administrations intimate their requirements of funds. Keeping these requirements in view and available resources, lump-sum allocations are made to Governments/Administrations who distribute the allocations so made from year to year on individual works according to their own requirements. Since the allocations so made are to be spent only on approved works, the question of their diversion to other works does not arise.

None the less this requirement has been brought to the notice of States|U.Ts specifically.

2. As regards the guidelines|criteria for selection of projects, para 6 of the revised Resolution* governing the Central Board Fund clearly lays down the objectives on which the Central Road Fund can be utilised and the States/U.Ts have been requested to keep in view these objectives while formulating the Road Development

*cf. page 79.

Programme to be financed out of the Central Roard Fund and this Ministry also keeps them in view while approving the Programme.

3. As for the completion of incomplete works approved from the Central Road Fund, a review of works in progress has since been done for all works approved in the past years and the State Governments have also been suitably addressed.

4. Action on (d) is also being taken by this Ministry already as this Ministry always intimate free balance to State|U.Ts. available in their Central Road Fund (Allocations) Account and it is on this basis alone that we invite proposals from State/U.Ts. for being nanced from this source.

5. The Government of India is thus already taking action on the lines indicated by the Public Accounts Committee.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II dated 19-7-79]

**Recommendation**

The Committeee note that the Ministry have been able to persuade a number of States like Tamil Nadu, Andhra Pradesh, Maharashtra, U.P., West Bengal, Bihar etc. to strengthen the survey and investigation machinery and there has been considerable improvement in the preparation of projects for sanction by these States. The Committee would like the Ministry to follow it up with the remaining States and Union Territories who have not yet got adequate organisations for survey, investigation and preparation of projects reports so that the position is brought to a satisfactory level.

[S. No. 71 (para No. 4.31) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action Taken**

The Ministry is fully alive to the requirement indicated by the Committee and is already pursuing the matter with the States. In fact at the recent meeting of the Chief Engineers held at Panaji (Goa) on 4.6.1978 this Ministry circulated to the State Chief Engineers a model set up for a Highway Department for Central Sector Road schemes which provides *inter alia* an exclusive Circle for investigations under a Superintending Engineer.

Apart from this even otherwise Government are taking all possible measures to ensure that necessary attention is paid to surveys, investigations, preparation of project reports etc. and in this connection a number of guide-lines have already been issued to the

States, the recent one being this Ministry's letter No. NHIII/P/31/77, dated the 31st May, 1978 relating to road and bridge projects which indicates, *inter-alia* the number of publications already brought out on the subject and the circular letters issued by the Ministry to the States. In addition, the Indian Roads Congress which is a premier body of highway engineers in the country have also recently brought out a manual for survey, investigation and preparation of road projects. This manual is a comprehensive document and would go a long way in improving the position in regard to surveys, investigations and project preparation work. Another I.R.C. Manual for similar purposes in respect of bridge works is in advance stage of finalisation.

It would thus be seen that the Government is taking all necessary action in the matter and the Committee may rest assured that this aspect would be pursued further with greater vigour.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated the 31 july 1978]

**Recommendation**

The Committee stress that the regional offices should maintain close liaison with the State authorities in order to see that the investigations, surveys and project reports are prepared *ab initio* on sound and acceptable lines to facilitate the work of processing sanctions and execution.

[Sl. No. 72, (Para 4.32) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action Taken**

One of the main duties of our Engineer Liaison officers and Regional Superintending Engineers is to help, to the extent possible, the State P.W.Ds. in surveys, investigations, designs and in preparation of projects for Central sector road and bridge works consulting the standards, specifications, guide-lines etc. of this Ministry and of the Indian Roads Congress. Besides specifying this as a duty for Engineer Liaison officers and Regional Officers, the State P.W.Ds. are asked to associate them (to Engineer Liaison Officers and Regional officers) in all the stages of preparation of road and bridge project. The Government of India are thus fully alive to the requirement indicated by the Committee and would pursue it vigorously to achieve the required results.

This has been vetted by Audit.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II, dated the 31 July 1978].

Recommendation

The model set-up, drawn up earlier by the Ministry may be reviewed in the light of experience gathered, so as to commend an arrangement which would find acceptance by the remaining States. The stress obviously should be on the development of expertise at crucial stages of survey, investigation and project preparation in order to achieve the underlying objective of submission of a dependable and realistic scheme as per agreed guidelines to facilitate the work of processing and sanction.

[S. No. 73 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action Taken**

This is covered by the reply given against para 3.41.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee note that the result of lack of essential details and data in preparing the project estimates has been that there was unduly long time taken in sanctioning the estimates at the Ministry's level. It is observed that for major road works, each ing over Rs. 25 lakhs, an analysis of the minimum and maximum times taken for sanctioning works on major National Highways showed that in case of NH Nos. 2, 3, 4, 5, 6, 7, 8 and 10, covering 173 works the minimum time taken for sanction of estimates ranged from 2 months (23 works on NH 5 in Orissa-Andhra Pradesh) to a maximum of 16½ months (35 works on NH 2 in U.P.—Bihar).

[S. No. 74—(Para 4.34) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Recommendation**

The Committee regret that despite various measures taken to build up capability of the States for proper project preparation the position is far from satisfactory as the Ministry have conceded in a note to the Committee that one of the main reasons for long time taken in sanctioning the estimate is that the projects prepared by the State P.W.Ds are not upto the required standards. Accord-

ing to Ministry's own calculations the time taken for sanctioning project is four to six months in normal cases.

[S. No. 76—(Para 4.36) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Recommendation**

The Committee consider that 4 to 6 months taken by the Ministry for processing of such cases is on the high side. They desire that concrete measures should be taken to streamline the procedure, lay down clear guidelines and check-lists, prescribe norms for processing at various levels (to be reduced to the minimum), so that the sanctions are issued in a period not exceeding 2 to 3 months of receipt of the proposals from State authorities.

[S. No. 77(Para 4.37) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

The improvement in the quality of project preparation and its execution is a continuous process. Due to the continued and sustained efforts of the Roads Wing in the light of the experience gained in the earlier Plan periods, especially during the Fourth and Fifth Five Year Plans, a number of steps have been taken in removing avoidable delays in the preparation of highway projects and for their speedy sanctions.

Over the years, the Roads Wing as also the Indian Roads Congress which is a premier society of Highway Engineers working in close association with the Roads Wing have issued a number of guidelines and circulars to bring about the desired improvements in the preparation and presentation of road and bridge projects. In this connection, detailed memoranda on this aspect were issued in April 1970 and January 1971. Besides this, during the year 1973, the Roads Wing had also launched a programme of conducting one-week workshops at different selected centres in the country in order to enable the P.W.D. officers in the States to get familiarised with the expected techniques of surveys and investigations, project preparation and execution of highway projects.

Officers of the Roads Wing have contributed substantially to the preparation of standards on different aspects of highway design and construction which have been published through the Indian Roads Congress. In order to achieve uniformity in the execution of all central works, a Standard Specification for Road and Bridge Works was also published in the year 1973 and a revised edition of these

specifications based on further experience gained in the application of specifications to road and bridge works is being published by the Indian Roads Congress shortly.

All the above steps have gone a long way in improving the overall quality of works and in reducing the time taken in processing the estimates.

It may, however, be mentioned that all these circulars and guidelines issued so far cannot strictly be applied in all cases as each highway project has its own peculiar problems which vary from area to area and region to region and has, therefore, to be tackled on an individual basis. However, every effort is being made continuously by the Roads Wing to remove the lacunae, if existing, in the present procedures from time to time and suitable instructions/memoranda to remove any shortcomings are being issued regularly so that the State P.W.Ds are kept fully informed about the technical requirements.

The Indian Roads Congress with the due collaboration and assistance of the Roads Wing officers has already brought out a manual on surveys, investigations and preparation of road projects which has been circulated to the States. Similarly, another manual for bridge works is also being formulated and is in a very advanced stage of finalisation which would also become available to the States pretty soon. These two manuals would be a further guide and help to the States in preparing appropriate projects following proper guidelines.

Keeping in view the technical requirements of the projects efforts would be made by Roads Wing to reduce further the period for sanctioning of the road and bridge works.

This has been vetted by Audit.

Sd/-

(J. S. MARYA)

Director General (Road Development)
& Addl. Secretary.

[Ministry of Shipping & Transport O.M. No. B-29(1)/78, Vol. II dated 26-6-78]

**Recommendation**

The Committee need hardly point out that the delays noticed in the mere sanction of projects got further accentuated because of the

tardy machinery and institutional arrangement for execution of projects involving calling of tenders (in several cases more than once), departmental screening of tenders, lengthy negotiations which all result in costly delays. The Committee note that some measures have been taken, particularly during the 5th Plan to effect improvement in the preparation of projects including surveys and investigations and as a result thereof lesser time is now taken in clearance of the estimates and putting the projects on the ground. The Committee desire that the Roads Wing should make all out efforts to bring about standardisation and uniformity of practice so as to cut down delays to the minimum at various stages of execution of works.

[S. No. 80 (Para 4.40) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action taken**

Roads Wing are conscious of the need to streamline the procedure for inviting tenders, screening the same and awarding the works. A model NIT (Notice Inviting Tenders) document for item rate tenders and lump sum tenders has already been drafted by the Roads Wing and shown to the Ministry of Law and the Ministry of Finance. The concurrence of these Ministries has been sought. The document was referred to the Accountant General, Commerce, Works & Miscellaneous for his comments which have been received *vide* their U.O. No. WM-1/2-198/74-75/75-76/1524, dated 15-1-76. The document will be further processed in the light of these comments. It is hoped that this document will go a long way in streamlining the procedure and in ensuring uniformity of practice for Central works throughout the country. It is also expected that delays due to difficulties in interpretation of the contract clauses would be minimised if a standard document is adopted.

Apart from streamlining the procedure for inviting tenders etc. referred to above, action on which is already in hand, the Ministry sometime back took another measure also for cutting out delays in the processing of tenders and their acceptance. This administrative decision was conveyed to the States in June 1976, *vide* Ministry's letter No. PL-30(62)/76, dated 26-6-76 wherein the States have been authorised to accept themselves tenders if the excess over the sanctioned estimate does not go beyond the value determined on the basis of current schedule of rates by 15 per cent subject to certain conditions. A copy of the orders issued is enclosed, (Annexure). This measure has provided considerable relief to States and expedited the processing of tenders, as earlier all tenders where the cost ex-

ceeded, the sanctioned estimate beyond the permissible limit of 15 per cent of the sanctioned estimate or Rs. 1 crore whichever is more, all the tenders used to be submitted to the Ministry.

2. As far as bridges are concerned, the policy of the Roads Wing has been to go in for standard designs for small spans and up to lengths of 300 metres. This procedure has not only cut down the delay in designing each individual bridge but has also resulted in uniform practice being adopted throughout the country. For bridges with lengths more than 300 metres, however, it is more economical if alternative designs are also invited from the tenderers. This will, apart from leading to a considerable economy, also lead to innovative practices and adoption of the latest technology, such as, cable-stayed girder construction, cantilever construction, etc. It will thus be seen that the practice in the Roads Wing, as far as bridges are concerned, has been to streamline and simplify the procedures for simple structures and at the same time encourage latest bold practices in respect of long and challenging complicated structures.

3. The need for standardisation and uniformity of practice in the preparation of highway and bridge projects is already accepted by the Roads Wing. Hand Book of Specifications for Road and Bridge works brought out by the Roads Wing exemplifies this criterion. The Officers of the Roads Wing are actively collaborating with the various Technical Committees of the Indian Roads Congress, which is also a premier association of Highway Engineers in the country and which is actively engaged in bringing out Standards, Codes of Practices and Manuals covering variegated aspects of highway and bridge engineering. Recently a Manual on Project Preparation of highways has been published by the Indian Roads Congress and the contribution of the Roads Wing officers in drafting and processing this manual to the final stages has been very large indeed. A similar manual on project preparation for bridges is in an advanced stage of preparation. Standard designs for culverts have already been prepared and widely circulated by the Roads Wing in collaboration with the Indian Roads Congress. Similarly, the standard designs for small span bridges have also been prepared and published. While considerable ground has already been covered, the Roads Wing are conscious of the need to further their efforts and fill the gaps wherever they exist in this direction.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 26-7-1978].

*ANNEXURE*

Government of India

(Bharat Sarkar)

Ministry of Shipping & Transport

(Nauvahan aur Parivahan Mantralaya)
(Roads Wing) / (Sarak Paksha)

Grams. "Road ind." Transport Bhawan.
No. 1, Parliament Street.

No. PL-30(62)/76 New Delhi-110001, dt. 26th June '76

All State Governments & Union Territories except Arunachal Pradesh, Mizoram, Pondicherry, Dadra & Nagar Haveli, and Andaman & Nicobar Islands.

SUBJECT:—Tenders for Road and Bridge Works on National Highways.

Sir,

I am directed to invite a reference to this Ministry's letter No. PL-30(110)|74 dated 25-9-'74, where in the Accountant General or the Comptroller concerned was empowered to pass, without the requirement of the State Government obtaining Central Government's approval to a revised estimate for a National Highway work, excess subject to certain conditions, up to 15 per cent of sanctioned estimate or Rs. 1 crore whichever is less. Earlier, in their letter No. NH III-33(108)|72, dated 28.3.73, this Ministry had laid down detailed procedure for handling tenders. According to that procedure where the cost of a work based on acceptable tenders exceeded or was likely to exceed its originally sanctioned estimate beyond the permissible limit of excess, prior approval of the Government of India was to be obtained before the acceptance of such tenders. The State Government have, however, been pointing out that considerable time alapses between the sanction of an estimate and the actual commencement of the work and, as a result, by the time a work actually goes on the ground, the tender cost is generally quite in excess of the sanctioned estimate even beyond the aforesaid permissible limit and tenders are, therefore, required to be submitted to the Government

of India for their approval. In order to expedite the disposal of tenders, suggestions have been made to this Ministry by State Chief Engineers from time to time for making a provision for escalation of cost in the estimate. This matter also came up for discussions at the last meeting of the Chief Engineers held at Hyderabad on 6.1.1976, when some of the State Chief Engineers pointed out that in their States, for State road works, tenders were being examined and settled with reference to the current schedule of rates instead of sanctioned estimate and they suggested that if such a procedure were followed for National Highways also, references about tenders in many cases to the Roads Wing might not be necessary and those could be settled at the State level itself.

2. This matter has been examined further and in the circumstances explained above, it has been decided that, hereafter, the State Governments may, themselves, accept tenders, if the excess over sanctioned estimate does not go beyond the value determined on the basis of current schedule of rates by 15 per cent, subject to the following conditions and also duly complying with the technical requirements specified in paras 1(ii) (last sentence), 1(iii), 2 & 3 of this Ministry's letter No. NH III-33(108)|72, dated 28.3.73 (copy enclosed for ready reference):

(i) These powers are to be exercised by the State Governments, themselves, who, if they so disire, may also delegate these powers to officers not below the rank of the Chief Engineer under intimation to this Ministry;

(ii) Tenders are called properly after due wide publicity providing for a healthy competition among the contractors and rates are considered duly competitive, reasonable and justified; and

(iii) After tenders have been accepted by the State Government, the revised estimates should be sent to the Government of India for their sanction within one month of the acceptance of the tenders, this time limit being extended up to 2 months in unavoidable cases, but in any case not beyond that. A copy of the approved current schedule of rates should accompany the revised estimate invariably.

In this connection, it has to be realised that the State Accountant General will be able to admit expenditure beyond the permissible limit of excess over the sanctioned estimate as so far earlier prescribed only after the sanction for the revised estimate for the job is accorded by this Ministry and also conveyed to the State

Accountant General. Therefore, in the interest of smooth pursuit of execution of the works, forwarding of Revised Estimate and getting it sanctioned by the Ministry is of paramount importance and is strongly emphasised.

3. I am to add that simultaneously, with the exercising of the power referred to in the preceding para, the State will kindly in each case, send an intimation to this Ministry, with copy to the Regional Officer concerned of this Ministry, duly stating particulars of tenders accepted and certifying that the conditions stipulated at (i) and (ii) above had been satisfied. Further, the State will kindly also devote attention to see that the contracting industry in the State is in a healthy condition and if this is not so, steps would be taken by State Government to strengthen the contracting industry and also, as an alternative measure, to set up Departmental Construction Units|Corporations, as necessary.

4. I am further to add that if the tender rates in any case exceed the current schedule of rates beyond the permissibe limit of 15 per cent, the tenders should be submitted to the Government of India for their prior approval.

5. I am to request that this may be brought to the notice of all concerned for necessary action, with the clear instruction that all concerned should ensure that the revised estimates are submitted within one month of the acceptance of tenders, this time limit being extended in totally unavoidable cases, upto 2 months, but in no case, beyond that.

Yours faithfully,
(R. C. JAIN)

Under Secretary to the Government of India.

Copy forwarded for information and necessary action to:—

All Chief Engineers, (dealing with National Highways) in States and Union Territories (except Arunachal Pradesh, Mizoram, Pondicherry, Dadra & Nagar Haveli and Andaman and Nicobar Islands.)

(R. C. JAIN)

Under Secretary to the Government of India.

Copy forwarded for information to:—

1. Financial Adviser, (Shri A. B. Datar), Finance Division, Transport Wing, New Delhi, with reference to Finance Division U.O. No. 2060-TFS II|1976, dated 25-6-1976.

2. All Accountants General|Accountant General, Commerce, Works & Miscellaneous, New Delhi.
3. All Regional Officers and Engineer Liaison Officers.
4. All Technical Officers and Secretariat Branch Offices, Sectt. Sections in the Roads Wing.

(R. C. JAIN)
Under Secretary to the Government of India.

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GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT
(ROADS WING)

TELEGRAMS — TRANSPORT BHAWAN
*ROADIND* — 1, Parliament Street
No. NHIII-33(1083/72) — New Delhi the 28th March, 1973

To

All State Governments & Union Territories.

Subject: Tenders for road and bridge works financed entirely by the Central Government funds.

Sir,

I am directed to invite your attention to this Ministry's letters Nos. WI-43(9) 65, dated the the 9th June, 1965 and NHI-41(14)|68, dated the 4th September, 1968 (copies enclosed for ready reference), and the procedure laid down therein in regard to the acceptance of tenders for road and bridge works financed entirely out of Central Government funds, which is now clarified as follows:

(i) Tenders for such works can be finalised by the State Government concerned only after the requisite technical approval and financial sanction have been accorded by the Government of India.

(ii) In case the revised cost of work based on an acceptable tender exceeds or is likely to exceed its original sanctioned estimated cost beyond the permissible limit [in which, according to the latest instructions contained in this Ministry's circular letter No. NHI-40(10)|70, dated the 2nd July, 1971, is 10 per cent or Rs. 2.5 lakhs, whichever is less], prior approval of Government of India should be sought

and obtained before the acceptance of such tenders. While making a reference to the Government of India in such cases, it should be accompanied by all the tender documents, including alternative designs received with any of the tenders and definite recommendations of the State Government while doing so, for tenders involving material deviation from approved designs and|or specifications, for the work, the reference to the Government of India should also be accompanied by plans and designs with relevant details and conditions stipulated, if any, along with detailed comments thereon by the State Governments|Chief Engineer.

(iii) If the amount of an acceptable tender for a work is such that the revised cost of the work based on that tender remains within the sanctioned amount plus the permissible excess [as mentioned in para (i) above], and if there is no material deviation in design and|or specification for the work from those technically approved, the State Government may dispose of such tenders without any reference to Government of India. However, in such cases where there are any material deviations in design and|or specification from those technically approved earlier by Government of India, a reference should be made by the State Government for obtaining the prior technical approval of the Government of India to the deviation(s) involved, before accepting such a tender. Such a reference to Government of India should be accompanied by plans, designs and relevant details of the acceptable tender, and a certificate from the State Chief Engineer|State Government to the effect that the acceptance of the deviation and|or revised design of the tender under consideration for acceptance, will not entail any excess over the sanctioned cost plus the permissible excess, in view of any conditions included in the tender which should be carefully examined by the State Chief Engineer/Government. There is no need to forward the other general conditions of the tender to Government of India.

2. It has now been decided that while making a reference to Government of India in accordance with sub-paras (ii) and (iii) of para 1 above, it is not necessary to forward to the Government of India, the tender papers received by the State Government in original but it would be quite sufficient if certified copies of all those tender

papers received are forwarded to the Government of India. Besid. these a comparative statement, giving the assessment of the variou tenders received for the work together with the firm recommendation by the State Government for the award of work may also be forwarded invariably along with all such tender cases.

3. It is also reiterated that while making a reference to the Government of India regarding approval for acceptance of tenders in the afore-mentioned cases, the position that may have resulted from previous tender calls, if any, along with comparative statements, the State Government's assessment and action if any, taken by the State Governments|State Chief Engineers with reasons therefor should also be invariably intimated.

4. The permissible excess of 10 per cent of Rs. 2.5 lakhs mentioned in para 1 (ii) above, is limited to cases as defined in circular letter No. NHI-40(10)|70, dated the 20th July, 1971.

5. Immediately after obtaining the approval of the Government of India for cases mentioned in para 1 (ii) above, a revised estimated should be prepared based on the accepted tender and forwarded to the Government of India in the prescribed form for obtaining revised financial sanction for the work.

Yours faithfully,

Sd/- A. R. BANERJEE,

Under Secretary to the Government of India.

Encl : As above

Copy to all State Chief Engineers/Additional Chief Engineers dealing with Roads for information and necessary action.

2. All Regional Superintending Engineers/Engineer Liaison Officers of this Ministry outside the Headquarters.

3. All Technical Officers and Works Sections of the Ministry at Headquarters (Including 'SR' Section).

Sd/- A. R. BANERJEE,

Under Secretary to the Government of India

Encl: NIL

Copy of letter No. WI-43(9)/65, dated the 9th June, 1965 from Shri Raghuraj Singh, Under Secretary to the Government of India. Minis-

try of Shipping and Transport (Roads Wing), New Delhi to all State Governments (Departments dealing with National Highways) except Tripura and Andaman and Nicobar Islands.

Subject: Acceptance for tenders for road and bridge works financed entirely out of Central Government funds.

I am directed to invite attention to the procedure that has been laid down with regard to obtaining the prior approval of the Government of India before acceptance of the tenders of National Highway works as well as those for which the entire expenditure is met by the Central Government such as, Lateral Road West Coast Road, etc. According to this procedure tender for such works can be finalised by the State Government concerned, only after the technical approval and financial sanction for these works is accorded by the Government of India. In case the cost of acceptable tenders for works is more than their sanctioned cost beyond the permissible limits, reference has to be made by the State Governments concerned to the Government of India for obtaining their approval before such tenders are accepted. But even if the tendered amount is within the figure financially sanctioned, a reference to the Government of India will be necessary, in case there has been a material deviation from the technically approved designs and/or specifications of the works. Instances have come to notice where the State Government have not sought the approval of the Government of India to deviation to observe, is not correct. The technical approval of such works being the responsibility of the Government of India it follows that if there has been any change in the design or specifications of a work while finalising a tender, their technical approval is necessary before the new designs and specifications are implemented in the execution of a work.

2. I am, therefore, to request that in future all such cases of road and bridge works where design or specifications are to be changed while finalising the tender for a work, prior approval of this Ministry should invariably be obtained.

Copy of letter No. NHI-41(14)/68, dated the 4th September, 1968 from Shri Vinayak Dutt, Under Secretary to the Government of India, Ministry of Shipping and Transport (Roads Wing), New Delhi to all State Governments, etc. etc.

Subject: Tenders for road and bridge works financed entirely out of Central Government funds.

I am directed to refer to this Ministry's letter No. Wi-43(9.|65, dated the 9th June, 1965, wherein it was requested that in all cases of road and bridge works where the design or specifications are to be changed while finalising the tender for the work, the prior approval of this Ministry should invariably be obtained. It has been observed that whenever such cases are referred to this Ministry, complete tender documents are sent with comments on the conditions, etc. attached by the tenderers.

2. I am to explain that in those cases where the tender cost is equal to or less than the sanctioned cost of the work, but there has been material deviation from the technically approved design and or specifications, only the plans and designs with relevant details should be sent to this Ministry for technical approval. The other conditions attached to the tender need be referred to this Ministry but they should be examined by the State Chief Engineer and appropriate decisions taken in accordance with the codal rules laid down in the State regulating decisions and disposals of tenders, by him or the State Government as the case may be. When such plans and designs are sent to this Ministry, they should be accompanied by a certificate from the State Chief Engineer|State Government to the effect that acceptance of the deviations and/or revised designs proposed by the tenderers and recommended by the State will not involve any excess over the sanctioned cost as a result of any conditions included in the tender. Only in those cases where the amount of the acceptable tender exceeds, the permissible limit over the sanctioned cost of the work should all the tenders be sent to this Ministry for consideration and decision.

3. It is requested that the above mentioned procedure should be followed invariably in future.

**Recommendation**

The Committee are concerned to note that the State authorities acting as agents of the Union Government do not yet possess the requisite skills and recourses for tackling the problems like investigation, designing etc. in the matter of bridges. In fact, the Ministry have admitted in a note furnished to the Committee that inspite

of the best efforts all these years the data collected by the PWDs for preparation of detailed designs and estimates of bridges have not always been very satisfactory. It has been recognised during evidence that there is an urgent need for an expert organisation for designing larger and more complex bridges. The Committee note that some of the States have suggested that leading private consulting engineering firms may be entrusted with investigations and designing of complex bridges. The Committee would like the Government to examine thoroughly the matter in consultation with the State Governments which have a large number of complex and important bridges on National Highways to construct and come to a final decision in the matter without further loss of time. The Committee would like to be apprised of the decision taken in the matter.

[S. No. 81(Para 5.10) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The Centre is fully aware of the urgent necessity to ensure that the complex and important bridge projects are aptly surveyed, investigated and designed to effect utmost economy. This important aspect has been under active consideration and discussion with the State Chief Engineers individually as well as at the Chief Engineers meeting. The matter has also been given further thought and it is felt that with the existing agency system where in the States have to investigate and execute all centrally sponsored works, the requirement of survey, investigation and design can be met either by augmenting the capability of the Centre and the States with particular reference to entrusting this work only to qualified|specially trained engineers, soil specialists and geologists wherein, there would be intimate association and interplay stage to stage between the States' and Centres' efforts, manpower and know how; or to create an agency|corporation to tackle all such survey, investigation and even to some extent the design of complex bridge projects. It may be mentioned that as per the practice in vogue, the States are competent to give specialised investigation jobs to private /public sector organisation, wherein also there would be complete association between the Central and State, to oversee the various stages of investigation being carried out. As regards major bridges having an over all length of about 250 metres, even to-day lump sum tenders with alternative designs are being considered, wherein

the private|public sector organisations give their own design subject to the designs satisfying the requisite code/standards/specification. This matter is being further discussed in a group of Chief Engineers and will then be discussed at the All India meeting of State Chief Engineers. However, till such time firm decisions are taken, the requirement of survey, investigation and designing of complex bridge projects would continue to be handled by the State Public Works Departments under the advice of this Ministry, who in turn will associate experts from various organisations lil CRRI, SERC, Private Consultants etc. if need be.

[Ministry of Shipping & Transport O. M. No. B-29(1)/78 Vol. II dated 26-6-78]

**Recommendation**

The Committee learn that some State Governments have already set up Bridge Construction Corporations with a view to speed up the bridge construction programme. The Committee would like the Government to assess the functioning of these bodies in concert with the State Governments so as to encourage the setting up of suitable agencies in all the States for bridge construction works.

[Sl. No. 82 (Para No. 5.11) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The observation of the Committee have been noted and necessary action is being taken to not only assess the functioning of the existing Corporations wherever they have been set up so far but also to encourage the creation of suitable agencies for road and bridge construction works in other States.

[Ministry of Shipping & Transport (Roads Wing), O.M. No. B-29(1)/78 Vol. II, dated the 19-6-78]

**Recommendation**

The Committee note that a satisfactory set-up for quality control on road works has two essential components, viz, (i) Testing, Control and Research Laboratories; and (ii) Quality Control units. The

Committee have been informed that Test and Research Laboratories have been set up in all the States except in Nagaland, Meghalaya and Sikkim and out of the Union Territories such laboratories are being set up in Andaman and Nicobar Islands and Goa. The role of these laboratories is to carry out investigations required in connection with the Highway Projects, prospecting for locally available cheaper materials, findings solution to problems posed by construction staff, research into local problems etc. These laboratories are not directly involved in field quality control. The Committee urge that necessary steps should be taken in consultation with the Central Road Research Institute to set up such Laboratories in the remaining States also.

[Sl. No. 87 (Para No. 6.27) of Appendix XIV of the 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Ministry has consulted Central Road Research Institute regarding the equipment required for testing, control and research laboratory. It has been decided to provide grant-in-aid from C.R.F. (O) Reserve on a matching basis upto an expenditure of Rs. 2.50 lakhs for setting up material testing research laboratories in each of the remaining States like Nagaland, Meghalaya and Sikkim mentioned in the report. The State Government Chief Engineers have been requested to agree to meet expenses upto Rs. 2.50 lakhs on matching basis and send estimates for sanction by the Ministry (vide letter No. OR/MSC/41/74 dated 22-7-77). The matter is being pursued.

[Ministry of Shipping & Transport (Roads Wing), O.M. No. B-29(1)/78 Vol. II, dated 26-6-78]

**Recommendation**

The Committee note that a model scheme for organizing the State Testing and Control Laboratories, prepared by the Central Road Research Institute, was circulated among the States in 1957 under which they were offered 50 per cent assistance from the Central Road Fund (Ordinary) Reserve to bring them upto the desired level. They find that during the Fourth Plan period, only 3 States, viz. Himachal Pradesh, Andhra Pradesh and Kerala availed of matching grants-in-aid from the reserved portion of the Fund. The Committee would like the Government to review the 20 year old model scheme with a view to examine how far the working of the

laboratories could be further reoriented to meet the present day problems of ensuring quality construction of roads.

[S. No. 88 (Para No. 6.28) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Ministry has reviewed the 20 year old model scheme in consultation with CRRI and representative State Chief Engineers. A broad scheme for further augmentation of laboratory facilities over and above the 1957 CRRI model has been framed. On the basis of this, a proposal amounting to Rs. 128 lakhs was prepared for augmenting laboratory facilities in 16 States. This could not, however, be sanctioned during the financial year 1977-78 due to inadequacy of budgeted grant from CRF(O) Reserve. This scheme will be taken up for sanction during 1978-79 and subsequent years depending on the funds available.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II. dated 26-6-78]

**Recommendation**

The Committee note that the Central Road Research Institute is conducting courses for different categories of Highway Engineering Staff from the Assistant Engineers to the Superintending Engineers and that it is proposed to further improve the training programme. The Committee hope that the laboratories would take full advantage of the training courses being conducted by the Central Road Research Institute and ensure that they imbibe the latest techniques that have been developed in the field of road engineering.

[S. No. 91 (Para No. 6.31) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The courses being conducted by the CRRI are being utilised by the laboratory staff of the State P.W.Ds also. In order, however, to give a further push to this programme, the matter was discussed recently in the Chief Engineers' meeting held at New Delhi on 30th July, 1977, when the need for making maximum use of facilities available for training in CRRI and C.B.R.I. Roorkee and some other

Universities was stressed. State Chief Engineers were requested at the same time to send their considered views on this suggestion. A separate letter has also been issued to State Chief Engineers, to act on the suggestions made at the Chief Engineers' meeting.

The matter of training of the laboratory personnel is also receiving individual attention at the Central Government level. A draft programme for training of personnel in State Highway laboratories proposed to be funded from CRF(O) Reserve has been drawn up. The scheme envisages training of laboratory technicians, supervisory personnel & engineering graduates and post graduates from quality control and research laboratories. Training within India and abroad is being considered. The proposal has still to be cleared both administratively and financially.

[Ministry of Shipping & Transport (Roads Wing) O. M. No. B-29(1)/78-Vol. II, dated 26-6-78]

**Recommendation**

The Committee note that on the recommendation of the Planning Commission an Assessment Committee headed by Director General (Road Development ) was constituted to critically examine how new technology could be put to wide application with advantage. The Committee understand that this Assessment Committee has so far approved 16 techniques evolved for large scale adoption in the field. The Committee desire that the results of the application of the new techniques may be assessed and the wider and more extensive application of those found successful encouraged.

[S. No. 92 (Para No. 6.32) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

Central Road Research Institute which is functioning as the Secretariat of the Central Assessment Committee, is already making a review of the application of the approved C. A. C. techniques. Some of the techniques have already been applied extensively and in some cases the Indian Roads Congress has been also accepted them and published these as specifications for wider adoption. Example of techniques enjoying extensive application are, machanically stabilised soil sub-base, lime stabilised soil sub-base precoated aggregate surface dressing, built-up spray grout and precoated bituminous carpet. The State Chief Engineers have also been asked to

make extensive use of these techniques at a number of Chief Engineers Meetings.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)/78-Vol. II, dated 23-9-78]

**Recommendation**

The Committee note that a hand-book on quality control was published by the Indian Roads Congress in 1973 and circulated to the State Public Works Departments. The Committee desire that the norms laid down in this book for testing different types of constructions should be strictly adhered to by the field units.

[S. No. 93 (Para No. 6.33) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Ministry has issued specific instructions to the State Public Works Departments to strictly adhere to the norms laid down in the hand-book of quality control Ministry's specifications for Road and Bridge works has also adopted these norms and these are being insisted upon in all centrally financed works. The foregoing requirements are being frequently and repeatedly bought to the attention of the State Public Works Departments, the executing agents through the forum of Chief Engineers meetings.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 23-9-78]

**Recommendation**

Since a bulk of the machinery purchased during the year 1962—66 and thereafter through Central funds is lying unutilised, or is not being utilised to its optimum, the Committee would like to emphasise that further expenditure on purchase of road building machinery for Central works should be considered only after making sure that the machinery already available has been put to effective use and that the deficiencies pointed out in the Report of the Road Building Machinery Committee (1970) have been fully rectified.

[Sl. No. 103 (Para 7.49) of Appendix XIV to 18th Report of the Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The recommendation is already being followed. After the purchases made in 1962—66, Ministry, after a gap of 10 years i.e.

during 1973-75 only, made further purchases and that too mainly bituminous pavement construction equipments like hotmix plants, pavers, tippers and front-end loaders. While working out the requirements of these machinery, all the existing quantity of machinery was duly taken into account. The output that can be got, based on the optimum utilisation was also considered to assess the additional requirement. Ministry of Finance accorded sanction only after making sure that the machinery already available will be put to effective use, and that the additional machinery would be required over and above the existing ones.

Annual utilisation programme and quarterly performance reports are being received from the States. Wherever deficiencies are found, these are being rectified during inspection and review meetings. Things have improved.

The deficiencies pointed out in the report of Road Building Machinery Committee (1970) have already been brought to the notice of the State PWDs for doing the needful.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78, Vol. II dated 19th July, 78]

**Recommendation**

In view of the disturbing position about the acquisition and utilisation of costly road building machinery and equipment purchased on Central account, *the Committee stress that in the Annual Report there should be detailed mention of the machinery and equipment purchased for road building its allocation State-wise, as also utilisation, the deficiencies noticed and the measures taken to rectify the position.*

[Sl. No. 105 (Para 7.51) of Appendix XIV to 18th Report of Publice Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Ministry has prescribed requisite reports and returns for obtaining information regarding receipt, utilisation, deficiencies noticed. Some State PWDs have furnished informations called for. Some times they are not regular in furnishing reports for which regular follow up is done from the Ministry. The information as far as available on the basis of feed back from the States will be incorporated in the future Annual reports pertaining to the year 1979-80.

At present about 5600 Central machines have been allotted to 20 States in the country. Collecting the above information for each type of machinery from the State by closely pursuing with them, filling them in plant data sheet, and working out the overall utilisation is a voluminous job.

Further, utilisation of the equipment would very from time to time on the basis of availability of funds allotted for road works, due to break downs, and depending upon the season, such as rainy season etc. As such to work out the annual utilisation, information for all the four quarters of the year have to be obtained from the States and consolidated. All efforts however will be made to collect the above information from the States and suitably group them for working out category-wise utilisation and incorporate the same in the Annual Report.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 19th July, 78]

**Recommendation**

The Committee also *emphasise the need for contempraneous watch to ensure that mobile workshops are organised properly and render necessary service in keeping the machinery and equipment in firm and efficient condition*:

[Sl. No. 107 (Para 7.53) of Appendix XIV to 18th Report of Publice Accounts Committee (6th Lok Sabha)]

**Action Taken**

The mobile workshops procured for earlier projects are available in the States of Bihar, Gujarat, Orissa and Rajasthan. In fact, based on their satisfactory utilisation, this Ministry have gone in for additional proceurement of similar mobile workshops. However, in the proposal for additional procurement, all the mobile workshops are proposed to be deployed mainly along with the units of earth moving machinery or bituminous pavement construction equipments so that close watch on their working can be kept. Further, as per the present policy, only heavy and sophisticated type of equipments are to be continued to be owned by the Ministry and these units of the machiery will be manned by trained and qualified staff. As these machines will be working in a concentrated location, the performance of the same and the performance of the workshops would thereby be watched effectively .

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 19th July, 78]

**Recommendation**

It is necessary that for proper operation, up-keep and repair of equipment there should be an adequate number of well trained operators and technical staff. The Committee find from the Audit paragraph that the States lacked facilities of trained staff to operate machinery allotted to them for execution of Central works during the Fourth Plan. The Committee on Road Building Machinery in its Report (1970) has also emphasized the need for properly trained staff for use, maintenance and supervision of the machinery.

[Sl. No. 108 (Para 7.54) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The State PWDs were advised to make use of training centres which were run by Central Water & Power Commission. This Ministry also made efforts for establishing training facilities as a joint venture with other Departments like CPWC etc., but the same could not be implemented due to insufficient response from the States. Finally, the States have been advised to take advantage of the facilities which already exist in the Industrial Training Institutes which have been established all over the country by suitably adequately augmenting them from State PWD resources by drawing up suitable specially tailored training programme for our machinery/ repairs training purposes.

The State PWDs attention has been drawn regarding the availability of surplus experienced staff of Beas Sutlej Link Project and they have been requested to arrange use of this staff for employing on the Central road construction machinery. States like Gujarat, Hadyana, Andhra Pradesh, Meghalaya, and Tamil Nadu have replied in this connection that their present requirement of staff is met from their own resources. As such, their further demand for the staff is NIL. The States have also been requested to similarly obtain their requirement of experienced staff from other irrigation projects who are using similar equipments.

As a part of the A|T, condition has been stipulated that the manufacturers of bituminous pavement construction equipments should provide facilities for training of operating and maintenance staff of the consignee. The States have been requested to make full use of this facility.

[Ministry of Shipping & Transport (Road Wing) O.M. No. B-29(1)/78 Vol. II, Dated the 19th July, 1978]

**Recommendation**

The Committee need hardly emphasize that facilities available at Training Centres run by the Central Water and Power Commission of the Department of Irrigation should be increasingly taken advantage of. The Committee commend the idea of imparting training to the staff at Industrial Training Institutes which have been set up in almost all the States and would like the scheme to be finalised expeditiously. For this purpose, *the Committee would like the Ministry to review, in consultation with the States, the present strength* vis-a-vis *the future requirements of operators and technicians so that a regular training programme is arranged in every State expeditiously to meet the future requirement.* It will be beneficial if refresher and in-service training courses are also arranged from time to time so that the staff is made conversant with the working of the equipment of the latest design and technology.

[Sl. No. 109 of (Para No. 7.55) Appendix XIV to 18th Report of Publice Accounts Committee (6th Lok Sabha)]

**Action Taken**

The training centres run by C.P.W.C. have since been closed down due to insufficient response from the States|other organisations for sponsoring of adequate number of trainees.

The establishment of Training centres by State PWDs in liaison with ITIs in the States was discussed in the Group meeting of state Chief Engineers meeting held in November, 1975. This matter has also been pursued in the subsequent Chief Engineers meeting held from time to time. The States have been requested again to do the needful expeditiously.

Ministry is in constant dialogue with the States for establishing such training facilities expeditiously which would be useful to improve the calibre of operators/mechanics deployed in central machinery. Once those training centres are established, refresher courses and in-service training courses can be arranged from time to time so that the staff is made conversant with the working of the equipment of the latest design and technology.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 19th July, 1978]

**Recommendation**

The Committee would also like to urge that in the case of new range of equipment the *State authorities may be persuaded to send the machine operators and mechanics to the manufacturing units for training well ahead of the arrival of the equipment so that there is no loss of machine-time at the work site.*

[Sl. No. 110 (Para No. 7.56) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)].

**Action taken**

While placing orders in 1973 for procurement of bituminous pavement construction equipments like Hot-mix Plants|Pavers etc., provision was actually made in the A T asking the manufacturers to provide facilities for training of the operating and maintenance staff of the consignee either at their works, or at the works site of the consignee. The consignee was also asked to intimate his choice of venue of training. Some of the States have made use of this facility. The matter is further being pursued by the Ministry in the various Chief Engineers meetings held and in correspondences. In future orders also, such a provision will be kept.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. 29(1)/78-Vol. II, dated the 19th July, 1978]

**Recommendation**

The Committee would also like to be assured that the workshops are manned adequately by trained technicians with requisite qualifications so that the equipment is well maintained and repaired satisfactorily. *It has also to be ensured that the workshops do not suffer on account of non-availability of the right type of spares.*

[Sl. No. 111 (Para 7 57) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The States have been advised to take advantage of the facilities which already exist in the ITI and which have been established all over the country by suitably adequately augmenting them from State PWD resources by drawing up suitable specially tailored training programmes for our machinery operation|repairs training purpose.

The States have been requested to recruit some of the trained and experienced staff of Beas-Sutlej Link Project and other similar irrigation projects who have been declared surplus for manning the work-

shop for operation and upkeep of Central machines. To make these jobs duly attractive, suitable pay ranges have also been finalised in the Group of State Chief Engineers meeting held in November 1975 and recommended to the States so as to attract well qualified and experienced persons.

Besides pointing out to the States in the various Chief Engineers meetings held since 1964 (held in Jaipur on 28th November 1964) the need for storing essential spare parts, Ministry had issued instructions to all the State PWDs as far back as in 1971 *vide* RM-3(51)|70, dated 19-1-1971 for procurement and stocking of spare parts against State stock account and making them available for the repair and maintenance of Central machines as and when required, so that break down time is reduced to the minimum and machines are repaired expeditiously. Adequate funds against sanctioned estimates for repair and maintenances of machinery are released by the Ministry promptly under a separate account 'M & R Grant of machinery'.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. 29(1)/78-Vol. II, Dated the 19 July, 1978]

**Recommendation**

In order to have proper check, the Ministry have introduced w.e.f. 1972 the system of getting from the States yearly utilisation programme of machinery under which the States are required to indicate the quantum of machinery likely to be surplus so that the Ministry could consider transferring the same to other States. The Committee are distressed to note from the information furnished by the Ministry that the utilisation programmes were not prepared in the prescribed manner and were sent quite late. In addition, the utilisation programme did not furnish utilisation picture for all types of Central machinery and detailed calculations on the basis of quantum of work sanctioned against job numbers. Since forward planning resulting in redistribution of machinery in a rational manner can help improving the utilisation, *the Committee would like the Ministry to impress upon States concerned the importance of these utilisation programmes and persuade them to submit them regularly in the prescribed manner. The Ministry, on their part, should make a detailed study of these returns within a time-bound programme and issue suitable and timely instructions to the States to ensure that each item of machinery is put to optimum utilisation and maximum productivity.*

[Sl. No. 113 (Para 7.59) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The utilisation programme for the year 1977-78 have been received form 15 out of 20 States, covering almost all the Central equipments. A few States like Andhra Pradesh, Himachal Pradesh, J & K, Nagaland and Meghalaya (where only 80 out of the total 5600 Central machines are available) have not sent it. These have been examined as quickly as possible and observation thereon communicated to States concerned. A surplus list has also been prepared from these utilisation programmes and circulated to all the States for intimating their requirements for the same. In this year, transfer orders for 65 machines have also been issued on the basis of additional requirement received from other States.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, Dated the 19 July, 1978]

**Recommendation**

The Committee need hardly emphasise that Regional Officers/ Liaison Officers at State Headquarters *should ensure that utilisation programmes are properly prepared, furnished in time and that directions issued are got implemented in letter and spirit.*

[S. No. 114 (para No. 7.60) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The Regional officers of the Ministry on the mechanical side are only located in our places in the country. However, they are closely pursusing with the States under their jurisdiction for proper and timely preparation of the utilisation programme for being sent/to the Ministry with a copy to them. However, suggestions/comments on the utilisation programme are also sent by the regional offices to the Ministry as far as possible. It may be mentioned that in the year 1977-78 utilisation programme has been received from 15 out of 20 States covering most of the Central equipments, which indicates that the position has considerably improved and an impact has been made on the States for proper and timely preparation of utilisation programme.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, Dated the 19 July, 1978]

**Recommendation**

The Committee note that physical verification of the equipment is done annually and the State Governments are required to send a

copy of their report to the Ministry in the prescribed proforma by the end of each financial year. A close watch should be kept regarding timely receipt of these physical verification reports. *More important is to see that all machinery is properly utilised and maintenance is not neglected.*

[Sl. No. 117 (Para 7.63) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

During the year 1976-77, the physical verification report was received from 8 States. Any deficiency noticed has been taken up with the States for rectification. The remaining States have been requested to submit the same by constantly pursuing in correspondence and discussions both from headquarters and regional offices.

[Ministry of Shipping & Transport (Roads Wing) O.M. No B-29(1)/78-Vol. II, dated the 19th July, 1978]

**Recommendation**

The Committee find that there is a multiplicity of forms prescribed for reporting utilisation, physical verification etc. of the machinery in the States. *The Committee would like the Ministry to study these forms/returns with a view to rationalise them so as to contain essential data about the utilisation and performance of the machinery and facilitate the monitoring of performance and issue of the follow-up direction including re-allocation in the interest of better utilisation.*

[Sl. No. 118 (Para 7.64) of Appendix XIV to the 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

Ministry has already reviewed various proforma/report returns prescribed by the ministry regarding machinery in a meeting of the Group of State Chief Engineers which was held in November, 1975 for making them simpler and more purposeful. Some modifications to the proforma were also made as finalised and communicated to all the States for adoption.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol II, Dated the 19th July, 1978]

**Recommendation**

While in all the Oil Companies as well as in several developing countries in the world bitumen distribution takes place preponderantly in bulk (90 per cent or above), in India nearly 94 per cent of supplies are made in drums. The Committee note that because of substantial savings both in the price of bitumen supplied in bulk as compared to that supplied in drums as also in foreign exchange, instructions were issued to the State Governments in 1967 to make arrangements to move bitumen in bulk. According to the calculations made by the committee set up for Conversion of Bitumen Distribution from Packed to Bulk (1972), the ex-refinery price differential between packed and bulk bitumen was about Rs. 235/- a tonne (including sales tax). Even after allowing for the expenditure on putting up facilities for the handling of bulk bitumen, there was substantial cost advantage to the consumer (mostly State P.W.Ds, Governments and quasi-Government organisations) in taking supplies in bulk instead of 'packed' ranging from about Rs. 200/- a tonne near the refinery location to well over Rs. 80/- a tonne at far off points requiring movement by rail. The Committee are distressed to note that inspite of a number of measures suggested by the above committee for switching over bitumen distribution from drum-pack to bulk supply in a phased manner, the Scheme has not made much headway, as they note that against the estimated progressive conversion of bitumen from pack to bulk at the rate of 24 per cent, 34 per cent and 41 per cent of the total bitumen during the years 1973-74, 1974-75 and 1975-76 respectively, the actual movement of bulk bitumen by rail during these years has been of the order of 1.56 per cent, 1.09 per cent and 1.77 per cent respectively. As a matter of fact, there has been a steep drop in the total quantity moved on railways in 1975-76 as compared to 1973-74. On the other hand, the plea of the Railway Board was that even after the conversion committee's recommendations, the consumer was not really going in for bulk transport, as against 105 tank wagons available, the demand was not sufficient even for 82 tanks.

[S. No. 124 (Para 8.30) of Appendix XIV to 18th Report of the PAC (6th Lok Sabha)]

**Action Taken**

The above para gives the factul statistical information about bitumen and no specific action is required thereon. The Ministry of

Petroleum Chemicals and Fertilizers (Department of Petroleum), have also been consulted.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated 6th September, 1978.]

**Recommendation**

The Committee would like Government to make a detailed study of the observations made by the Audit in the reports relating to the States for taking appropriate action. Government may also identify such of the deficiencies and irregularities which have come to their notice during the execution of the Lateral Roads Projects so as to lay down norms while planning projects of such magnitude in future.

[Sl. No. 137 (Para 8.23) of the Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

A study of the reports of the State Accountant Generals on Lateral Road reveals the same shortcomings etc. as given by the Public Accounts Committee in paras 9.21 and 9.22 and the corresponding conclusions/recommendations in their 18th Report to the Sixth Lok Sabha. No additional shortcomings have been observed by the Government. The Government have since taken steps for completion of projects, in future, of such magnitude to the required specifications and by the target dates. Those steps have been spelt out in the Action Taken Notes on paras 2.109, 2.110, 2.90, 3.90 to 3.92, 4.30, 4.31, 4.37 and 4.40.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1) 78-Vol II, dated 6th September, 1978.]

**Recommendation**

The Committee note that even for the 5th Plan Government have not so far finalised the inventory of roads of Inter-State and economic Importance which are to be taken up, although three years of the Plan have already elapsed. It is noted that proposals for the new schemes costing Rs. 385 crores were initially received from the States but after screening, schemes costing Rs. 51 crores have been selected and projected to the Planning Commission against

the Plan provision of Rs 30 crores. This package of scheme is stated to be still under consideration. The Committee would like this to be expedited.

[Sl. No. 139 (Para 9.51) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The provision of Rs. 30 crores mentioned in para 9.51 above relates to the provision made for the purpose in the Draft Fifth Plan. As a result of mid-Plan appraisal of the Fifth Plan, the aforesaid provision of Rs. 30 crores was reduced to Rs 6 crores. In any case, approval to the programme costing Rs. 41.68 crores has since been communicated to the State Governments after obtaining the concurrence of the Planning Commission and the Ministry of Finance in letter No. PL-10(112)/72-Vol. II, dated 20-1-77.

[Ministry of Shipping and Transport, (Roads Wing) O. M. No. B-29(1)/78-Vol. II, Dated 26th July, 1978]

**Recommendation**

The Committee note that arising out of the defence requirements the programme of construction of certain roads in some Border States was taken up in 1965. Due to the combined effects of financial constraints in 1966-67 and down-grading of priorities in June 1967 by the Ministry of Defence on certain strategic roads there was a spill-over of strategic works amounting to Rs. 8 crores. In May 1968, the Ministry of Defence had indicated once again to the Ministry of Transport, its revised requirements for construction and development of strategic roads during the 4th Plan period.

[Sl. No 148 (Para 9.74) of Appendix XIV of 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

This paragraph states the factual position with regard to the programme for the construction of certain strategic Roads in the Border States. This paragraph of the report does not, therefore, call for any particular action on the part of this Ministry. It may, however, be added that the Ministry has been following the directions of the Ministry of Defence in regard to projections and priorities and has been getting approved works implemented as per availability of finance from year to year in different plan period.

[Ministry of Shipping and Transport, (Roads Wing) O. M. No. B-29(1)/78, dated the 18th July, 1978]

**Recommendation**

The Committee were surprised to learn during evidence that the representatives of both of the Planning Commission and the Ministry of Shipping and Transport were not aware of the separate supplementary Reports of the Comptroller and Auditor General of India for the year 1973-74 for different State Governments on road development in the States. Since these reports contained valuable information on roads financed through loans and grants given by the Centre and on the States' own road programmes it is inexplicable why the Planning Commission and the Ministry of Shipping and Transport etc. should not have taken full cognisance of the valuable data and observations contained therein. The Committee desire that these Audit Reports should receive sustained attention with a view to rectifying the deficiencies in planning and implementation of the road development programmes.

[Sl. No. 154 (Para No. 10.6) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The Central Government have noted the recommendations of the Committee and have already initiated action to procure copies of the reports for necessary action in so far as Central Government is concerned. Matters relating to State Governments would be dealt with by the State Governments directs.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 18th Jan. 1979]

## CHAPTER III

## CONCLUSIONS OR RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES RECEIVED FROM GOVERNMENT.

### Recommendation

The Committee note that the first attempt unify the road system on an all-India basis was made by the Conference of the Chief Engineers in 1947 when a Road Development Plan, commonly known as Nagpur Plan, was drawn up to cater to the traffic needs of the country for a period of 20 years. The Plan envisaged an increase in the road mileage of surfaced roads from 88,000 to 1,23,000 miles and unsurfaced roads from 1,32,000 to 2,08,000 miles. These targets were achieved by the First Five Year Plan (1956), *i.e.*, within a period of 13 years of the commencement of the Plan. Although it augured well for the development of roads in the country, the Committee do not feel very enthusiastic about this accomplishment in as much as the Plan was formulated during the pre-Independence era and naturally had not envisaged the growth of traffic which was to come about in the post-Independence period on account of rapid changes in economic, industrial and agricultural fields. The Committee would however, like to point out that Government did not take sufficient care to project the increasing traffic requirements at the time of information of the First and Second Five Year Plans with the result that after the completion of the Second Plan in 1961, the national highways as also other important roadways in the country were still deficient in several aspects, such as, unbridged river-crossings, substandard surface, narrow carriage way etc Not only there were numerous missing bridges on the arterial routes but on the National Highways alone about 80 major bridges remained to be provided at the end of the Second Five Year Plan.

[Sl No. 1 (Para 1.21) of Appendix XIV to 18th Report of the PAC (6th Lok Sabha)]

### Action Taken

The observation of the Committee regarding the "Nagpur Plan" are a factual statement and do not involve any action So far as their observations regarding the First and Second Plans etc. contain-

ed in the last two sentences of the recommendation reproduced above are concerned, it may be stated that since the First and Second Plans marked the beginning of the planned economy development of the country, the emphasis was largely on the removal of the deficiencies in the existing road system of the country and to improve| extend it further to the extent of the availability of resources and keeping in view the requirements thrown up by the other spheres of development in the national economy. That the road development plans in the First and Second Five Year Plans were fully related to the requirements of the country is clear from the following observations made in Para 69 on page 479 of the Planning Commission Document on "The First Five-Year Plan".

*Priorities under the Five Year Plan*

69. "Priority in the development of roads has to be determined in relation to plans of development in other spheres in the light of national and local resources and needs. Roads which assist production, and especially agricultural production, should have a high priority in existing conditions"

The Plan laid down further the following priorities for the development of National Highways under the Five Year Plan programmes:

(i) Completion of all Capital Works already sanctioned and in progress.

(ii) Provision of new bridges and missing road links, as far as possible, along the "arterial" National Highways. (The arterial national highways are those that connect the main population centres plus a few whose development has been given priority as a result of partition).

(iii) Urgent replacement or strengthening of existing dangerous bridges and improving sections of existing roads that are uneconomical to maintain or dangerous to traffic.

The planners were also fully informed by the Ministry of the deficiencies required to be made up and it was only on the basis of these deficiencies that allocations were made in the various Five Year Plans according to the availability of resources and other priority considerations and action was taken to implement those schemes.

On this basis during the First Plan, the following achievements were made:—

| | | |
|---|---|---|
| (i) Construction of missing links | .. | 1004 Kms. |
| (ii) Major bridges | .. | 40 Nos. |
| (iii) Improvement of existing sections | .. | 4000 Kms. |

The Second Five-year Plan envisaged work being taken up on the construction of 2,000 Kms. of missing links, 75 major bridges, and improvement of 9,600 Kms. of low-grade sections.

If at the end of the 2nd Plan, the National Highways, etc in the country still remained deficient in several aspects, it was mainly because of the paucity of resources. Additionally, in the intervening period from the commencement of the First Plan and upto the end of the Second Plan and even subsequently a number of new roads had also been added to the National Highway System and these new roads, which were earlier only Major District Roads. Other State Road etc. were also required to be brought up to the National Highway standard and their deficiencies also had therefore to be taken into account for formulating programmes for the development of National Highways after the second plan.

The Ministry would thus like to assure the Committee that they have always been projecting their full requirements before the planners but finally the actual action has to be guided and governed totally by the availability of resources and the priority which the Planning Commission lays down in the allocation of the available resources. Development of National Highways and other categories of roads needs therefore to be viewed in this perspective for a proper appreciation of the situation.

[Ministry of Shipping and Transport (Road Wing) O.M. N. B-29(1)'78-Vol. II, Dated 26-7-1978]

**Recommendation**

The Committee further note that the Bombay Plan drawn up by the All India Highway Chief Engineers in 1958 for a period of 20-years (1961-81) envisaged an increase of total mileage of roads in

the country from 3,79,000 miles in 1961 to 6.57,000 miles (10,52,000 kms.) in 1981 at an estimated cost of Rs. 5,200 crores. The Committee are concerned to note that there have been marked shortfalls in physical and financial terms of the Plan as the total mileage of roads as on 31st March, 1975 stood at 8,95,078 Kms. (which include 4,09,485 kms. only of surfaced roads) and the expenditure incurred was Rs. 2,016.37 crores till 31st March, 1976. The Committee note that similar shortfalls have been highlighted by the Audit in the Plans relating to various States such as Assam, Bihar, Gujarat, Maharashtra etc. Government have conceded the shortfalls. It was submitted by the representative of the Ministry during evidence that Government were not committed to the Bombay Plan and projection contained therein were intended to provide for a broad guideline to the Highway authorities in the country for framing their Five Year Plans. The Estimates Committee in their 75th Report (Fifth Lok Sabha April, 1975) too while pointing out the shortfalls had recommended that every endeavour should be made to achieve the targets laid down in the Plan.

[S. No. 2 (Para 1.22) of Appendix XIV of 18th Report of the PAC (6th Lok Sabha)]

**Action Taken**

As already explained to the Committee which is also stated in the observations reproduced above, the 20-year (1961-81) Plan suggested by the Chief Engineers in their report on Road Development was only intended to provide as a broad guide to the Highway authorities in formulating their plans subject to the availability of resources but the Government of India were not committed to the views expressed in that report. Apart from this, the Plan suggested in that report indicated the targets for the country as a whole and did not indicate the targets for any individual States separately. No doubt, various States have worked out their own targets according to the formula given in the report but it is not known how far those targets are realistic. Apart from this, the basic factor which has been ignored in making comparison between the targets worked out by the States and their non-achievement is the availability of resources which is the main guiding factor in the implementation of any Plan. That there has been a serious constraint of resources is clear from the table given below which shows that by 31st March, 1978 only about 50 per cent of the financial targets laid down in the 20 Year Plan referred to above had been achieved:—

*Bombay Plan* (1961—81)

*Targets and likely achievements by fifth plan end*

| Scheme | Physical (000 Kms) | | | Financial (Rs. crores) | |
|---|---|---|---|---|---|
| | Targets for 1981 | Likely achievements by March '78 | | Targets for 1981 | Likely achievements by March 1978 |
| | | Total Length | Surfaced Length | | |
| 1 | 2 | 3 | 4 | 5 | 6 |
| National Highways | 51·2 | 29·0 | 28·0 | 980 | 636 |
| State Highways | 112·0 | 97·7 | 89·5 | 1580 | |
| Major District Roads | 240·0 | | | 1360 | |
| Other District Roads | 288·0 | 773·3 | 300·0 | 650 | 1001 |
| Classified Village Roads | 360·0 | | | 630 | |
| TOTAL . | 1051·2 | 900·0 | 417·5 | 5200@ | 2637 |

@ 1958 price level

2. Actually, the targets laid down in the 20-Year Plan involved an expenditure of Rs. 5,200 crores in 1958 when the Plan was formulated. The cost may be much more now with the escalation in cost and it is difficult to say when the targets in that Plan could be achieved especially as there is a serious constraint of resources. The Ministry, however, has always been pressing for more and more allocations for roads but in the ultimate analysis everything depends upon the funds which the Planning Commission is able to earmark for roads keeping in view the total resources position and the competing claims of various sectors of national economy. The Ministry would, however, continue its efforts for larger allocations.

[Ministry of Shipping and Transport (Road Wing) O.M. No. B-29(1) 78-Vol. II, dated 19-6-1978.]

**Recommendation**

The history of road development in the National Highway sector from the dawn of Independence upto the beginning of the 4th Plan presents a picture of unfulfilled promises of wide divergence between programmes and actions, gaping gulfs between estimates and actuals and the pronounced disparities between assurances and implementation In April 1947 the Central Government assumed the responsi-

bility for development of National Highway, which then numbered 34 and had a total length of about 21,440 kms. At the end of the Third Plan, followed by three Annual Plans, *i.e.*, April 1969, the total mileage of National Highway stood at 24,000 kms. This indicates that in a period of over 22 years a length of only 2,560 kms. at an average rate of 116 kms per year, was added to the total length of 1947. Against this, keeping in view the future trends of road traffic pattern and development activity, the length of National Highways under the Road Development Plan (1961—81) was to be raised from 23,770 kms. in 1961 to 52,000 kms. in 1981, which meant, on an average, an addition of 1400 kms. per year. At this rate, the length of National Highways in April 1969 should have been about 35,000 kms. as against the then existing total of 24,000 kms. Thus, there was a heavy shortfall of about 11,000 kms.

[S. No. 6 (Para 2.83) of Appendix XIV to 18th Report of the PAC (6th Lok Sabha).]

**Action Taken**

The main point raised by the Committee is that new additions to the existing National Highway System have not been made, from the beginning of Third Plan, keeping in view the target having a total length of 52,000 kms. of National Highways by 1981 recommended in the Report of Chief Engineers on Road Development Plan for India (1961—81). It may be mentioned in this connection that on the very first page itself of the aforesaid Report it is mentioned that the Government of India are not committed to the views expressed in the Report. Obviously, the Report was intended to serve as a broad guide for purposes of drawing up priorities and programmes for future road development schemes, subject to availability of resources.

2. Develoment of the existing National Highways is the Constitutional responsibility of the Government of India. First preference has, therefore, to be given for making provision for the development of existing National Highways while drawing up a Five Year Plan. After accounting for this, provision is to be made, subject to availability of resources, for declaring new roads as National Highways This is solely dependent upon the availability of resources and Government are unable to take over any new roads as National Highways if the available funds are not adequate even for 'on going' works pertaining to existing National Highways.

This is clear from the fact that as against the provision of Rs. 20 crores made for new additions to the existing N. H. System in the draft 5th Plan, this Ministry had formulated a proposal for adding

10,904 kms. of roads out of 43,000 kms. proposed by States which represented only one-fourth of the total proposals. Even for this limited requirement of over Rs. 800 crores were required for developing these roads to single lane standard alone. These proposals were pruned by the Planning Commission to 6,178 kms. which required Rs. 100 crores. However, even this pruned programme could not get through as the provision for new additions to the existing N.Hs. was altogether deleted from the Plan at the 'Mid-Plan Review' and ultimately due to resources constraints, the Ministry was advised to keep the entire question of making new additions in abeyance. The only exception has been in the case of Batote-Doda-Kishtwar road (107 kms. in length) in Jammu and Kashmir which is the only road declared as a National Highway in the Fifth Plan due to special considerations pertaining to Jammu and Kashmir State.

The circumstances explained above indicate the reasons for Government's inability to make any head-way by way of making substantial additions to the existing National Highway System, and need to be taken into account for a proper appreciation of the problem. Ministry are however alive to the need for the expansion of the N.H. System and will continue its efforts in this direction. But as indicated above, the result will ultimately depend upon the availability of resources over which the Ministry has no control.

[Ministry of Shipping and Transport (Road Wing) O.M. No. B-29(1)|78-Vol. II, dated 19-6-1978.]

**Recommendation**

During the First Plan period 1951—56 no road was added during the 8 years 1961—69 (end of 3rd Plan) only a small length of 230 kms. was added to the National Highway System. The Committee cannot help regretting Government's complacency in this regard—a fact which has also been conceded by the Director General of Roads who during evidence stated that in the preceding three Annual Plans this aspect has been seriously neglected.

[Sl. No. 7, (Para 2.84) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

This relates to the question of making new additions to the existing National Highway System which has aslo been raised in recommendation No. 2.83. The position explained with reference to para 2.83 holds good for this part.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 19-6-78]

**Recommendation**

The Committee are further concerned over the fact that instead of accelerating the pace of development during the Fifth Plan, the Planning Commission has targetted for additions to the National Highway system of a total of 6178 Kms. only against the proposals emanating from the States for a length of 43,000 Kms. Even this modest programme has not yet been cleared by the Ministry.

[Sl. No. 10 (Para 2.87) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The observation above relates to the question of new additions to the existing N. H. System. This is dependent upon the availability of resources vis-a-vis the needs of developing the existing N. H. System which totals upto 28970 Kms. at present so as to cater to the needs of traffic.

The draft 5th Plan included a provision of Rs. 20 crores for new additions to the existing N. H. System. Against this proposal aggregating to a length of 43,000 Kms. were received from the States, and after examining them in the light of the criteria for declaring roads as N.Hs. and keeping in view the *inter-se-priorities*, a modest programme of 10,904 Kms. for new additions to the existing N. H. System was formulated by this Ministry and sent to Planning Commission and Ministry of Finance for concurrence. This programme was pruned down by the Planning Commission to 6178 Kms. estimated to cost about Rs. 100 crores. However, in view of the financial limitations due to which the available funds were not adequate even for existing National Highways, the Ministry of Finance could not approve even the reduced proposal of 6178 Kms. except for only one road, viz. Batote-Doda-Kishtwar road (107 Kms. in length). Even this road was declared as a National Highway on account of special considerations pertaining to the Jammu & Kashmir State. It has not been possible to declare any other road as a National Highway in the Fifth Plan due to constraint of resources. Meanwhile, the position of funds tightened up further as at the mid-plan review of 5th Plan, the provision for new additions to the existing N.H. System was deleted altogether and due to financial constraints, it has not been possible for Govt. to find funds for new additions even in 1978-79. Actually, the 1978—83 Plan currently under finalisation also does not include any provision for new additions to existing N.H. System due to resource constraints. This Ministry, is, however, continuing its efforts but finally everything will depend upon resources. New

Additions to the existing N.H. System, will therefore, have to wait till financial position improves.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 26-6-78]

**Recommendation**

The Committee would urge the Government to finalise the proposals with a schedule of priorities depending upon the importance of each road and availability of resources as long delays and indecisions may result in further deterioration of the roads involving more expenditure.

[S. No. 11 (para 2.88) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The position explained with reference to recommendation No. 2.87 holds good in the present case also. This Ministry have nothing to add further.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 26-6-78]

**Recommendation**

The Committee note that of the outlay of Rs. 293 crores provided for new works on National Highways during the Fourth Plan, 59 percent was accounted for removal of deficiencies in missing links of roads and bridges and widening and/or strengthening of single-lane sections to double-lane sections etc. It was expected that at the end of the Plan, there would be no missing links of roads/bridges, nor would there be any low-grade sections and that the full length of the existing National Highway system would be made fit two-lanes traffic. The Committee, however, note that all these expectations were belied as a large number of deficiencies were generally found in the Plan period in the projects estimates and execution of National Highway. The Committee note that the physical programme of road development in the 4th Plan undertaken included about 470 road works in progress on 1st April, 1969, over a length of 4,000 kms., of which about 3,000 kms. were completed, while out of 23 bridges in progress on that date 168 bridges had been completed. There was poor progress in the completion of the missing links of 440 kms. on important National Highways, such as Nos. 6, 30, 41 etc. and 17 major bridges. As regards improvements to low grade sections, while works

covering about 300 kms. out of the targeted 400 kms. had been sanctioned, work was completed on 158 kms. only during the Plan period and further on 53 kms. by December 1976. For widening and strengthening of single lane sections of National Highways to two-lanes, against 7120 kms. targeted, work had been completed on 2977 kms. only (Up—to December, 1976). Similarly, strengthening of existing weak two lane National Highways and widening of two-lanes without strengthening were sanctioned over a length of 2209 kms. and 3765 kms. respectively against 4th Plan targets of 3120 kms. and 6080 kms. respectively. Work was completed over 1177 kms. and 1986 kms. respectively upto December 1976.

[S. No. 12 (Para 2.89) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Recommendation**

The 4th Plan outlay was Rs. 418 crores out of which only Rs. 293 crores were meant for expenditure on new works on National Highways totalling 24000 kms. in length that existed at the beginning of 4th Plan, i.e., on 1-4-69 and Rs. 15 crores was meant to be spent for removal of some of the deficiencies on new additions to National Highways system totalling 4819 Kms. in length, declared during the 4th Plan period. Against the above outlay of Rs. 293 crores for old National Highways as existed on 1-4-1969, it was proposed to sanction new works estimated to cost Rs. 455 crores which, *inter alia*, included construction of all missing links totalling 440 Kms., improvement to all low-grade sections totalling 480 Kms. widening with or without strengthening to two-lanes 13200 Kms. of single lane National Highways, construction of 17 missing major bridges. It may be mentioned that at the beginning of 4th Plan we already had 8000 Kms. of two-lane National Highways. Thus the length of National Highway proposed to be double-laned and the length already double-laned totalled to 21,200 Kms. against a total length of 24000 Kms. of National Highways that existed on 1-4-1969, as mentioned above.

It will be seen from the above facts that even if all the improvement works worth Rs. 455 crores on the National Highway system that existed on 1-4-1969 had been sanctioned there would have been a spill-over of Rs. 162 crores to the 5th Plan because the outlay against these works was limited to Rs. 293 crores only which is about 64 per cent of the estimated cost. Secondly, as already stated, the length of National Highway already double-lane and that proposed to be double-laned totalled to 21,200 kms. against the total length of 24000 kms. that existed on 1-4-1969 leaving a balance of 2800 kms.

of National Highway which would still have remained as single lane. Thirdly, on account of financial constraints as a result of oil crisis, which suddenly descended in 1973, etc., the actual expenditure was limited to 286.58 crores in 4th Plan—against the total outlay of Rs. 418 crores mentioned above. Thus the expectation of P.A.C. that at the end of the 4th Plan there would be no missing links of roads/ bridges, nor would there be any low-grade sections and that the full length of the existing National Highway system would be fit for two-lane traffic would be over- optimistic and far-fetched.

Even in the face of various difficulties encountered during the execution, such as, acquisition of land, fixing of suitable contrators, scarcity of steel and cement and difficulties faced in sinking wells through hard strata not anticipated in the initial stages in case of bridges, and financial constraints that arose in the year 1973 due in oil crisis, etc. the physical achievements till December 1977 are not insignificant as may be seen from the table given below:—

POSITION OF 4TH PLAN

| Scheme | Provision in the 4th Plan | Sanctioned in the 4th Plan | Completed upto December, 1977 |
|---|---|---|---|
| 1. Construction of missing links | 440 Kms. | 440 Kms. | 170 Kms. |
| 2. Improvement to low grade sections | 480 Kms. | 300 Kms. | 273 Kms. |
| 3. Widening with or without strengthening single-lane Sections to two-lane | 13,200 Kms. | 9139 Kms, | 5582 Kms. |
| 4. Strengthening existing weak double length stretches | 3120 Kms. | 1784 Kms. | 1612 Kms. |
| 5. Construction of missing major bridges | 17 Nos. | 15 Nos. | 7 Nos. |

[Ministry of Shipping & Transport O.M. No. B-29(1)/78, Dated 27-5-1978]

**Recommendation**

In this connection, the Committee on 'More Efficient and Economical Construction and Maintenance of Roads' in its Report (1974) has, inter alia, remarked that "the original deficiencies like poor riding surface, low-grade like, weak shoulders and standard geometrics continue to plague the country's road system even though outwardly many have changed markedly as regards width and the quality of surfacing. Ignoring the few well-planned highways of recent origin, this applied as much to National Highways as to roads of

lower categories". The representative of the Ministry was not oblivious of these deficiencies as he had stated during evidence that "we are all serious as to what should be put in to increase the capability of Highway authorities to come to expectations."

[S. No. 13—(Para 2.90) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

The National Highways as they stand to-day, are, truly speaking, bits of old state, local boards and other types of village level roads strung together which have been improved upon in stages from time to time. In course of time the natural drainage pattern in the country has got distorted because of natural changes in the catchment of major rivers due to the large-scale development activity, undertaken especially after independence. The natural environment and rainfall pattern have also undergone considerable change in the course of time. The volume of traffic has increased manifold over years and so also the axle loads. All the above changes call for increased attention for the development of and maintenance of road network in the country but, unfortunately, the allocations for this purpose have never been commensurate with the requirements. The observations made by the Committee on ' More Efficient and Economical Construction and Maintenance of Roads" as reproduced in this audit para actually flow from the circumstances and conditions under which our existing system of National Highways have gradually developed over a period of time.

With regard to the efforts made to increase the capability of Highway authorities, it may be mentioned that the Ministry is alive to this need, both at the Centre and State levels, in order to come up to the expectations of providing better level of road communication service. Following are the steps taken in that direction:—

(i) State Governments have been persuaded to create separate organisations within their Public Works Departments to deal exclusively with Central Sector Works. The separate organisation is meant for creating expertise for planning, survey and investigations, design, quality control, monitoring and evaluation. As there is an increasing requirement of sophistication in Highway construction with an increasing emphasis on quality, there is a need for setting up a separate mechanical unit for judicious mechanisation blended with labour intensiveness. With the above objectives in view, the model organisational charts were prepared by Roads Wing and distributed to the States in June 1971 for adoption.

(ii) Quality control and testing laboratories are being strengthened in the States with the help of Central assistance. In this connection, attention is invited to the action taken note in respect of P.A.C. para Nos. 6.28 and 6.30.

(iii) The Ministry and Indian Roads Congress have issued guidelines, manuals and specifications about design, construction and maintenance of Highway and bridges for the guidance of States Engineering Organisations.

(iv) Central Road Research Institute is running courses of short duration designed for imparting necessary training to the engineering staff of the States. This Ministry also arranges training abroad of suitable engineering personnel of the States.

(v) There is a proposal in the current Five Year Plan (1978-83) to set up a Highway Training Institute in the country for imparting training at entry and in service for Highway Engineers.

(vi) Meeting of State Chief Engineers dealing with roads are organised periodically to enable them to exchange ideas on and discuss problems relating to roads— the objective being to advance forward and achieve a better road system.

(vii) The Report of the Working Group on Roads for the current Five Year Plan stipulates that Advance Planning Cells should be created in the States for carrying out such advance investigations and project formulation works well ahead of the projects being taken up for actual implementation so as to admit all the needed advance lead time.

(viii) A sum equal to 1-3/4 per cent of the estimated cost as advance against agency charges and additional 1 per cent to cover field costs is being allowed to States for preparation of detailed project reports based on thorough ground survey and investigation so as to avoid delays and increased costs latter.

(ix) The project estimates include a provision equal to 1 per cent of the cost of work to cover the cost of quality control,

[Ministry of Shipping & Transport O.M. No. B-29(1)/78 dated the 19 July 1978.]

**Recommendation**

The committee have reasons to believe that one of the causes for the set-back in the completion of the missing links is that the funds earmarked for this purpose were diverted to other priority works as has been conceded by the Ministry in a note furnished to the Committee that "the missing links were given slightly lower priority because on these sections there was no traffic and these were utilising the alternate temporary routes". The Committee cannot but deplore the perfunctory manner in which the whole question of construction of missing links has been tackled. It is apparent that construction of missing links in the scheme of things was not given the importance that it deserved. Now that the Ministry has accorded high priority to this item, the Committee hope that concerned efforts would be made to complete them without further loss of time.

[S. No. 16 (Para 2.92) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

At the time of formulation of 4th Plan high priority was accorded to the construction of missing links although alternative temporary roads were available to traffic. While sanctioning the estimate, the Ministry has been emphasising that the priorities laid down were adhered to. While this was being followed, financial stringency suddenly descended in 1973 as a result of ail crisis. This led to imposition of bans on sanction of new works and consequent diversion of funds mostly to continuing works. Since then only those works which were of inescapable nature and which could not be postponed to better times, were alone being sanctioned. This resulted in some changes in the priorities laid down earlier. For instance, even widening/strengthening of weak and narrow bridges and construction of by-passes were given a low priority. In case of missing links, since the alternative routes were available and traffic was not being held up, no new sanctions for these works were entertained for a couple of years.

The general practice is that the work-wise allocations of funds issued from this Ministry, from year to year, are spent on the works against which these are shown and the money is diverted only in cases where the work is held up for unavoidable reasons. In order that the allocations earmarked for completion of missing links and similar other urgent activities are not diverted to any other work suitable instructions were issued to the State Government in May 1976.

We are concentrating on expeditious completion of missing links (totalling 440 kms. in length in the National Highway system which obtained at the beginning of the 4th Plan, that is, on 1-4-69 and not on missing links totalling 166 kms. in the National Highways declared

during the 4th Plan) by inspections and by holding special rebiews with senior officers of the concerned State Public Works Department where targets of completion of each section of missing links are fixed after taking due consideration of the dfficulties being faced by executive authorities in land acquisition, fixing of suitable contractors and financial constraints.

The Ministry is hopeful that our concerted efforts would bear fruit and all missing links totalling 440 kms. would be completed by June 1981.

[Ministry of Shipping & Transport O.M. No. B-29(1)78 Dated the 27 May, 1978]

**Recommendation**

The Committee note that apart from imposition of restrictions, on sanctions, there have been heavy shortfalls even in expenditure on central road works during the first two years of the Fourth Plan as they find that against the Budget Estimates of Rs. 34.21 crores and Rs. 43.03 crores for 1969-70 and 1970-71 respectively, an expenditure of Rs. 26.52 crores and Rs. 36.53 crores was made during these years thereby showing a saving of 22 per cent and 15 per cent respectively. The magnitude of shortfalls in expenditure can be judged from the fact that as per total plan outlay of Rs. 418 crores an expenditure of Rs. 83.60 crores was required, on an average, to be incurred during each year of the Plan. The Committee regret that for lack of proper planning, even the smaller amounts provided in the Budget could not be utilised.

[S. No. 27 para 2.104 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha).]

**Action Taken**

The shorfall in expenditure over the outlays during the first two years of the Fourth Five Year Plan, i.e., 1969-70 and 1970-71 cannot be said due to any lack of Planning on the part of the Ministry but was due to certain specific circumstance over which no one could have any control as explained below:—

(1) **Financial constraints:** Serious restrictions on sanctioning of new works before and at the commencement of the Fourth Five Year Plan whereby no lead time with adequate bank of sanctions was available during the first few years of the Plan period. Any work would take 6 months to a year after sanction of estimates to start generating expenditure after tender settlement, Land acquisition, arranging of material and equipment etc.

(2) **Non finalisation of IDA Credit:** Considerable time was taken in arriving at a final decision regarding the second IDA credit which actually did not materialise ultimately and resulted in holding up of the sanctions of a number of works. Negotiations for this IDA Credit was actually started in 1969-70 and the condition was that even though these works were included in the National Highways Plan in the 4th Plan as high priority works, they could not be sanctioned till the IDA credit was finalised since these works were already under the consideration of IDA authorities. Ultimately IDA credit did not materialise and all the works intended to be included in IDA programme were subsequently sanctioned as normal plan works during the middle of the 4th Plan. Non-finalisation of the IDA credit was beyond the Control of any one as it involved certain basic policy issues like international competitive bidding, engagement of foreign consultants etc. which had to be referred to various authorities and all this took time and a decision was taken to proceed with these works out of yearly budget since Government of India could not accept the conditions of IDA authorities.

(3) Organisational inadequacies both at the Centre as well as States' level.

(4) Shortage of essential materials like cement, steel etc.

2. The Ministry was however, fully aware of these factors and had taken a number of remedial measures as indicated below:—

(i) Constant pursuit with the States regarding the creation of exclusive organisations for handling National Highway and other Central Sector Road Works. As a result such organisations did come into being in a number of States and helped in stepping up the tempo of activities which is very clear from the very high expenditure in 1972-73 and later.

(ii) Simultaneously, action was also pursued for the strengthening of the headquarters of the Roads Wing. As a result of these efforts an *ad-hoc* increase to the extent of about 60 per cent in the strength of headquarters staff was agreed to in 1972 and again in 1976, some further strengthening was agreed to under the restructuring scheme both at the headquarters and the Regional Offices. Complete with

larger allocations these activities are bound to bear fruitfull results in the shape of increased place of activity.

(iii) At the spot review of the progress in States' headquarters by a team of senior officers of the Ministry especially deputed for the purpose which helped considerably in removing many of the bottlenecks and helped in a stepping' up the pace of work.

As a result of all these activities, the position is that in 1973-74 (i.e. last year of the 4th Plan) the States were actually poised for an expenditure fo Rs. 140 crores and they would have maintained the same level even subsequently but for financial constraints which came into being again in 1973-74 and in recent years there have been no major shortfalls in expenditure and States have been clamouring for allocation of more funds.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, Dated 19-6-1978]

**Recommendation**

The Committee have noted that as a result of the delay in the execution of the project, there has been invariably an escalation of the project estimates, non-utilisation of the facilities available and consequent loss to the country. The Committee have also noted that delays were also due to dearth of suitable personnel in the initial stages, lack of coordination between different authorities, defective terms of contract, non-supply of materials in proper time and absence of proper planning. The impression that is left on the mind of the Committee after a review of the physical achievements in respect of national highways is that the Ministry have executed the schemes without adequate planning in depth. The Committee desire that the Ministry should immediately introduce a P.E.R.T. Chart for every major project and issue instructions regarding its maintenance. Along with the maintenance of this Chart, the Ministry should devise an in-built machanism for fixing the responsibility for delays in the execution of the projects. The Committee hope that the P.E.R.T. Chart would take care that there is proper synchronisation of the different components of the projects from the very beginning and that there is proper supervision in regard to the estimation of requirements, placement of indents and utilisation of materials.

[S. No. 31 Para 2.108 of Appendix XIV to 18th Report of P. A. C. (6th Lok Sabha)]

**Action taken**

In many cases the prolonged period of execution of works has resulted from restricted and reduced financial allocations in different years. Such reduction|restrictions in allocations are on account of circumstances of overall constraint of resources. In many cases we have been receiving progress Bar Charts alongwith prescribed quarterly progress reports which show quarterly targets for entire completion period and corresponding progress made for different elements of projects. These Bar Charts and progress reports are also effective means of keeping a watch for monitoring the progress. However, adoption of PERT|CPM Chart is a further effective system of programming and scheduling of execution of works and their monitoring. Roads Wing have been alive to the need for adopting PERT|CPM Chart for all major schemes in order to keep a watch on the progress of various activities involved and to undertake remedial measures wherever schedules are not adhered to.

In this connection, the State Governments were addressed in July, 1974 to obtain their views. After analysing their replies, we again wrote in June, 1976 appreciating the difficulties expressed by them in the adoption of network techniques and advised them that a beginning should be made on some of the major projects. The States' difficulties were that the length of sanctioned road projects was not adequate and that the contracts for road works were usually split up horizontally and vertically to utilise small local contractors and co-operative societies. Further, the allotment of funds was often inadequate and the timely supply of materials was generally an unreliable factor over which there is practically no control. And, lastly there was a lack of trained staff in the P.W.D. for adopting this new technique. There is one more factor inhibiting the use of this technique which has not been mentioned by the States but is relevant to the issue. It is a problem of labour unrest and its consequent non-availability in adequate measure and at the required point of time. We have then suggested that for adopting CPM techniques, the length of the road should be about 30 Kms. and for this purpose they could dub similar types of works in adjacent reaches into a single lot at the tender stage. It was also mentioned that preparation of net work techniques do not need a highly specialised training and that Indian Roads Congress publication on this was available and that the States could depute some of their officers to attend special courses of short duration run by the Indian Institute of Public Administration in New Delhi for learning the techniques. In March 1977, the State Governments were again addressed in the matter eliciting their views by the end of April 1977 on the adoption of net work techniques for roads

financeds from the Central funds. In that letter we had, however, suggested that the requirement of CPM Charts would be mandatory for all Centrally financed works, each costing Rs. 1 crore or more and specific provisions should be made in the N.I.T. document for this purpose. The replies received from a number of States indicate that there are practical difficulties in adopting CPM|PERT techniques on road works and hence the adoption of this technique should not be insisted upon till such time that the staff in the State P.W.Ds. gains experience from the adoption of this technique on bridge works costing Rs. 1 crore or more where they would like to adopt this technique, to make a beginning. In view of the foregoing, we have recently issued instructions to all State Governments requesting them for the use of CPM techniques on bridge works costing Rs. 1 crore or more financed from Central funds.

Every endeavour will, however, be made to popularise this technique not only for bridge works but for all types of works including road works even with a lesser financial limit after gaining sufficient experience in the matter.

It has been suggested by P.A.C. that along with adoption of PERT Chart, we should also devise an in-built mechanism for fixing the responsibility for delays for the execution of projects. In this connection, may be mentioned that the contract agreements, however, normally do provide for dealing with cases of delayed executions of works by contractors by suitable penalty clauses, etc. which the States are expected to operate upon in cases where delays cannot be justifiably expained by a contractor, i.e. cases where extensions of contract time limits may not stand justified before contract operating authority in the States.

( [Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, Dated 19-6-1978]

**Recommendation**

The Committee are not convinced that the study by the Staff Inspection Unit was carried out scientifically or realistically. Had that been done and the Team imparted a basic appreciation of the nation wide task in the matter of developing national highways, they would not have given the recommendations of the nature that had the effect of dismantling the organisation, and reducing its

effectiveness at the supervisory and coordination level. At any rate, it was for the Executive to have taken effective action even after the receipt of the Report of the Inspection Unit and convinced the competent authority that a mechanical implementation of the recommendation would accentuate difficulties instead of achieving economy. The Committee need hardly point out that as soon as the difficulties in the matter of handling enhanced value of plan works came to notice, concerted measures should have been taken to put in position effective technical and supervisory machinery which would have proved equal to the task and made for its expeditious and timely completion. Had this been done in an imaginative and effective manner, the shortfalls in the achievement of targets in the Fourth Plan and the subsequent years would have been obviated to a considerable extent.

[S. No. 36 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

In order to cope up with the heavy increase in work in connection with the implementation of the Fourth Plan, the need for augmentation of the strength of the officers and the staff in the Roads Wing at headquarters as well as in the field formations, was acutely felt and detailed proposals were sent to the Ministry of Finance in July, 1971. While these proposals were under consideration, some additional posts were agreed to by the Ministry of Finance in the years 1972 and 1973 as on *ad-hoc* measure.

2. The proposals already sent to the Ministry of Finance were reviewed in the middle of 1973 and the revised proposals were formulated and forwarded to the Ministry of Finance with the approval of the then Minister for Shipping and Transport. These proposals were discussed with the Ministry of Finance at several meetings and were pruned down considerably having regard to the low allocations for Central Sector Road Works in the financial years 1974-75 and 1975-76 and the need for economy in non-plan expenditure. The final proposals were discussed at a meeting taken by the Finance Secretary on 1-10-1975 when the representatives of the Planning Commission and this Ministry were also present. The proposals were accepted by the Ministry of Finance with the modification that the Regional Office in the North Eastern Region will be headed by an officer of the rank of Chief Engineer having regard to the weaknesses and inadequacies on the part of the State PWDs in the region

both in respect of project preparation, design and execution in a planned manner. Approval of the Cabinet to the scheme for restructuring of the Roads Wing as concurred in by the Ministry of Finance was obtained on 17th March, 1976.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated 17-7-78]

**Recommendation**

The position was even worse in the case of regional offices of the Roads Wing. From the statement given in Appendix IV, the Committee note that the sanctioned strength of 34 Assistant Executive Engineers and 40 Executive Engineers as on 1st April, 1969 was progressively reduced to 9 and 27 respectively by 1, April, 1974. As against the actual strength of 135 officers of the rank of Assistant Engineers and above in the headquarters on 1 April 1974, the number of such officers in the Regional Offices on that date was 37. Another disquieting feature was that most of the high grade officers were concentrated at the headquarters in Delhi and the need for keeping senior officers in the regional offices for technical coordination and liaison work and to oversee its satisfactory and timely execution was not apparently realised.

[S. No. 37 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action taken by the Government**

This is covered by the reply given against para 3.34.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)'78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee are distressed to note that even though the National Highway Rules 1957 stipulated the submission of monthly progress reports, no up-to-date information about progress at various stages of Central Road Projects sanctioned was available to the Ministry almost throughout the Fourth Plan, failing to get needed response from the State PWDs, instructions were issued to Regional Officers/Engineer Liaison Officers to furnish monthly reports in duplicate about the inspection of works falling in their regions and forward the same to the Ministry by the seventh of the following month.

Likewise, during the first four years of the Fourth Plan, the Ministry had no operative system or mechanism hereby for each

National Highway, all developmental works, ordinary maintenance and repair works, special repairs and/or flood damage, widening of culverts and other works could be continuously monitored for each stretch so as to give an idea of investment/expenditure incurred on it over a length of time. The Regional Officers and the Engineer Liaison Officers were in charge of large stretches of highways under their respective charge and they were experiencing considerable difficulties to report on account of lack of properly equipped offices. The cumulative effect of these deficiencies was that the quality and effectiveness of monitoring the construction activity of the State PWDs suffered.

[S. No. 44 and 45—(Paras 3.42 and 3.43) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The Public Accounts Committee are distressed to note that even though National Highways Rules, 1957 stipulated the submission of monthly progress reports, no uptodate information about progress at various stages of Central Road Projects sanctioned was available to the Ministry almost, throughout the Fourth Plan. The Committee has also observed that during the first four years of the 4th Plan, the Ministry had no operative system of machinery to continuously monitor all development works, repairs, etc. for each National Highways.

In this connection it may be mentioned that even from the start of the 4th Plan there was a requirement which we constantly pursued with the States to forward the prescribed periodical progress reports on works and have been pointing out any deficiency on the part of the States in submitting such reports regularly and timely. But fc. the size of the increased activities under the 4th Plan, there were staff inadequacies in the Roads Wing as also in the States which to an extent were responsible for the States having not been able to feed the Roads Wing with the progress reports in a regular and timely manner. So far as the Roads Wing is concerned it can be seen that while the outlay under Third Plan in respect of Central Sector Road Schemes was of the order of Rs. 162 crores only; outlay for the Fourth Plan was Rs. 418 crores, which is about 2½ times the outlay of the Third Plan. Yet, at the beginning of the Fourth Plan the staff available with the Roads Wing was only 2/3rd of the staff allowed during the Third Plan due to shedding off the staff on the findings of the Staff Inspection Unit of the Ministry of Finance who did not

take an overall and judicious view of the workload that would come up during the Fourth Plan. The P.A. Committee themselves have opined elsewhere that the study of the S.I.O. was not carried out scientifically or realistically. The Committee felt that had the technical and supervisory machinery been geared up in an imaginative and effective manner, the shortfalls in the achievements of targets in the Fourth Plan and the subsequently years would have obviated to a considerable extent. The position of staff strength in the Regional Offices of the Roads Wing was also not satisfactory inasmuch as the set-up in these Offices consisted of only an E.L.O. (Engineer Liaison Officer) posted in each State to liase between the Ministry and the State P.W.D. and to carry out the functions of over-seeing the execution of N.H. works as far as possible The staff position in the States was also not adequate to meet the increased requirements of executing 4th Plan works in the Central Sector. To get over the organisational inadequacies, the Roads Wing in fact, initiated proposals for augmentation of its organisational set-up in tune with the 4th Plan size and scope in the early part of the 4th Plan itself during 1969—71, which remained under examination in the Ministry in consultation with the Ministry of Finance and Department of Administrative Reforms. Although, the 4th Plan outlay for Central Sector had been fixed at Rs. 418 crores, the actual annual allocation during the first two years of the Plan was kept low by the Ministry of Finance. Keeping the available financial resources in view. Therefore, it was in 1971 and onwards that the Ministry and the Union Transport Minister started pursuing and pressing the States to augment their organisational set ups and create exclusive organisations for handling Central Sector road works. These moves had a beneficial effect and almost 60 per cent of the States by the end of 1972-73 had created exclusive organisations in the States for investigation, design, etc., but unfortunately, in 1973, suddenly on account of oil crisis and other problems like food imports, etc. a sudden reduction in financial allocat on for Central Sector roads were applied by the Government and the whole effort of strengthening States organisations received a set back. It will thus be seen that it is the organisational inadequacies at the Central and State levels which were largely responsible for shortfalls in the achievements of the 4th Plan targets as commented by the P.A.C. and corresponding slackness in the submission of monthly progress reports and the non-availability of uptodate information about the progress of works at various stages as mentioned by P.A.C.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dt. the 27-6-1978]

**Recommendation**

The Committee have now been informed that after the estimates are sanctioned, the State PWDs are required to furnish to the Centre, quarterly Progress Reports, indicating the physical and financial progress achieved. The Committee observe that even these reports are not being submitted regularly and in time as is evident from the fact that during 1976 (March—December 1976) alone the overall percentage receipt of these reports varied from 72 to 86 per cent. The Committee note that the need for sending these progress reports to the Ministry in time has been emphasised at the Chief Engineers meeting held at New Delhi, Srinagar, Hyderabad and Madras, where the State Highway authorities were also advised to set up a separate monitoring cell. The Committee would like the Government to impress upon the State authorities the imperative need for sending these progress reports regularly and in time. The Committee would like to judge the success or otherwise of restructuring and the additional expenditure which has been incurred on augmentation of its staff by the results it achieves in expediting of execution of work with greater efficiency and better economy.

[S. No. 46—(Para 3.44) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The Committee has desired to impress upon the States Governments the imperative need for sending progress reports regularly and in time.

The Roads Wing have been constantly pursuing the State Public Works Departments at various levels through demi-official letters, personal discussions, and during the State Chief Engineer's meetings, lately held at New Delhi on 30-7-77 and at Calcutta on 23rd December, 1977, to send the progress reports on all on-going works regularly and timely. Instructions have been issued to the States form time to time for vigorous pursuit and eight communications addressed through 1975-77 at the level of DG(RD) & Addl. Secretary as well as Deputy Minister. Such efforts are continuously being made.

Besides above, we had been impressing upon the urgency of creating a Monitoring Cell in the Office of the State Chief Engineer under a senior officer. So far 15 States have responded to our suggestion and more are likely to follow suit shortly. Our Regional Officers have also been activised to persue with the State Chief

Engineer at personal level to ensure timely submission of progress reports. The result of such actions has been encouraging and now the percentage receipt of progress report has improved.

The Committee has also desired to judge the success or otherwise of restructuring and the additional expenditure which has been incurred on augmentation of the staff by the results it achieves in expediting execution of work with greater efficiency and better economy.

Restructuring proposals of the Roads Wing effected in 1976, had been under consideration for a few years before that. The work load for various road schemes assigned to us since restructuring will be evident from the statement enclosed. (Annexure)

From above, it can be seen that our work load has increased to about 160 per cent by now after the restructuring in 1976.

Besides the above, since 1976, and in the last and current years the notable and important increased activities are in respect of the following:

(a) We are pursuing a substantial Research and Development programme through 10 No. Roads and 7 Bridge Schemes both from Plan and CRF non-Plan with an expected outlay of 6.00 crores.

(b) A new programme for E & I road and bridge works for about Rs. 41.00 crores has been proceeded with.

(c) Sensitive Border Area Programme for about Rs. 28.00 crores outlay has been proceeded with.

(d) There has been step up in the activity on Strategic Roads.

(e) The Ministry through a Working Group has been able to formulate most speedily a report in regard to the next Five-Year Plan (1978—83) for Central and State Sectors road requirements.

(f) Further the Ministry has been associated with the process of determination of State Sector roads Annual Plans for 1978-79 along with the Planning Commission.

From the above, it will be evident that there has been a great step up in the activity of the Roads Wing after restructuring in 1976. It may be appreciated that proper perspective of success or

otherwise of any Plan is depicted only after its performance is watched over a period of time.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II dated the 27.6.78.]

*ANNEXURE*

*Statement indicating provision in R.E. 75-76, 76-77 & 77-78 and B.E. 78-79 for various road Schemes*

(Rs. in lakhs)

| Scheme | R.E. 1975-76 | N.E. 1976-77 | R.E. 1977-78 | B.E. 1978-79 |
|---|---|---|---|---|
| *Plan* | | | | |
| Notional Highway(O) Works | 5400·00 | 6738·00 | 7452·00 | 7600·00 |
| Tools and Plant | 150.00 | 200·00 | 150·00 | 275·00 |
| Loans for Machinery | 50·00 | 90·00 | .. | 75·00 |
| Strategic Roads | 350·00 | 699·74 | 800·00 | 1000·00 |
| E & I Roads | 300·000 | 300·00 | 400·00 | 500·00 |
| Hooghly Bridge | 245.00 | 450·00 | 450·00 | 600·00 |
| Roads in sensiive Border areas | .. | .. | 112·43 | 229·00 |
| Institute for Training of Highway Engineers | ... | .. | .. | 0·10 |
| Research & Development Scheme | .. | 20·00 | 50·00 | 90·00 |
| C.R.R.I. | .. | .. | .. | 18·44 |
| | 6495·00 | 8497·74 | 9414·43 | 10387·64 |
| *Non-Plan* | | | | |
| I.R.C. | 0·30 | 0·30 | 0·30 | 0·30 |
| C.R.R.I. | .. | .. | .. | 57·52 |
| Maintenance of National Highways | 1857·00 | 2100·00 | 2530·00 | 2530·00 |
| Repairs of Machinery | 30·00 | 100·00 | 100·00 | 125·00 |
| Roads in Delhi financed from C.R.F. | 90·00 | 80·70 | 90·00 | 90·00 |
| Misc. items from C.R.F. | 2·84 | 1·30 | 2·82 | 2·01 |
| Roads in Chandigarh financed from C.R.F. | .. | .. | 2·89 | 5·00 |
| Roads in Sikkim | 8·00 | 2·21 | 1·32 | .. |
| Grants from C.R.F. | 698·00 | 500·00 | 900·00 | 1000·00 |
| Investment in I.R.C.C. | .. | 0·14 | 50·00 | 50·00 |
| Loans to I.R.C.C. | .. | 5·86 | 50·00 | 50·00 |
| TOTAL | 2686·14 | 2991·51 | 3727·33 | 3909·83 |
| GRAND TOTAL (Plan & Non-Plan) | 9181·14 | 11489·25 | 13141·76 | 14297·47 |
| Total in Rs. crores | 92·00 | 115·00 | 131·00 | 143·00 |

**Recommendation**

The Committee, however, regret that the recommendations of the Technical Group for a fresh appraisal of the maintenance grants every two years in order to off-set the increasing cost of materials and labour was not done throughout the Fourth Plan and allotments for maintenance and repairs continued to be made on the basis of those old recommendations. In this connection, the Committee would like to draw attention to the remarks of the Committee on 'More Efficient and Economical Construction and Maintenance of Roads that the "maintenance needs are more or less arbitrarily determined on the basis of traffic, cost of materials, carriageway width, rainfall, terrain conditions and judgement of the supervising staff. For some categories of roads, maintenance programmes is merely tailored to the money allotted for the road up-keep." The Director General (Roads) has conceded during evidence that there was need to review those norms of the Technical Group every two or three years and that a review was in fact undertaken and it showed that a further step-up in the grants was necessary. The Ministry in a further note furnished to the Committee have admitted that in the Fourth Plan, more so in the second half, the allocation for maintenance of national highways did not fully take into account the increase in the average width of carriageway subsequent to the improvement works, substantial increase in the price ob bitumen in January 1974 consequent to oil crisis and the needed up-date requirements of the norms laid in 1968. The Committee urge that a technical team may go into the matter thoroughly to find out whether the grants given during the 5th Plan for the maintenance and repair of national highways have been sufficient to meet the requirements and in the light of that study Government may re-fix the norms in consultation with the State authorities in order to obviate any feeling or ground that these have been fixed 'arbitrarily.'

[S. No. 50—(Para 3.67) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

Every year the Roads Wing on their own have been framing budget estimates for maintenance of National Highways basing it on the "1968 Norms" updating it in respect of lengths, carriageway widths, prices, wages etc. and accounting for the estimated cost or restoring flood etc. damages. Those budget estimate are then projected to the Ministry of Finance.

2. The estimates and allotments for maintenance of National Highways are based on the seven factors explained to the PAC and reproduced by them in para 3.56 of their report. Thus, the estimates and allotments, which are based on the lengths and widths of the highways, volume of traffic, terrain and other geographical conditions, prices and wages, the degree and extent of damages due to flood, earthquake etc. and deficiencies in the existing roads cannot be said to have been arbitrarily worked out and devoid of rationale. However, it cannot be denied that the allocations were and continue to be lower than the estimates and requirements and because of this the actual operations and programmes had had to be tailored to the allocations available.

3. The Roads Wing, who have reviewed the '1968 Norms' a couple of times more so after marked increases in prices and wages, will continue to do so in more details if so dictated by circumstances. Thus appointment of a committee to review the 'Norms' does not seem to be called for at this stage.

[Ministry of Shipping & Transport O.M. No. B-29(1)/78 Vol. II dated the 13-7-78]

**Recommendation**

The Committee are surprised to note the wide variations in the State-wise expenditure on maintenance and repair of National Highways during the 4th Plan. Bihar accounted for the highest outlay of Rs. 10.09 crores, followed by West Bengal (Rs. 7.74 crores) and Uttar Pradesh (Rs 7.58 crores) and these three States accounted for about one-third of the total outlay on maintenance and repair expenditure of Rs. 76 31 crores during the 4th Plan. The Committee are not convinced at all by the reasons advanced in justification of heavy concentration of expenditure in these three States and would like the Government to direct the technical team to go into this aspect also in depth while reviewing the norms of expenditure on maintenance and repair of national highways as suggested earlier.

[Sl. No. 51 (Para 3.68) of Appendix XIV to 18th Report of P. A. C. (6th Lok Sabha)]

**Action Taken**

Though West Bengal, Bihar and U. P. account for about 1/4th of the National Highways in India (considering width as well) the damage caused to the National Highways in those States is usually

more than 1/4th of the all India figure because of the frequent and concentrated floods in the lower reaches of the river Ganga and in its tributaries which flow through the States and of the narrow plains and sluggish drainage. The heavy cost of restoration of flood damages was the only reason, as explained earlier, for higher allotments to the three States for maintenance of the National Highways in the Fourth Plan period. This is also borne out by the fact that the allotment to these States for the remaining maintenance-operations in the Fourth Plan period came to 1/4th of the all India. figure and it is only when the allotment for the restoration of flood damages is included that the ratio rises to 1/3rd.

2. The accounts of the four years of the Fifth Plan period show the allotment to West Bengal, Bihar and U. P. as Rs. 20.86 crores, practically 1/4th of all India allotment of Rs. 81.98 crores. This reduction in ratio from that of the Fourth Plan is due to relatively less flood damage in this part of the country during the Fifth Plan and more in the other parts.

3. The reason for the more than proportionate allotment in the Fourth Plan period being manifest and genuine, appointment of a Committee to go into the question does not seem to be called for. The PAC may kindly reconsider.

[Ministry of Shipping & Transport O. M. No. B-29(1)/78 Vol. II dated the 13-7-78]

**Recommendation**

The Committee note that for executing the National Highway works on behalf of the Union Government, the State Governments are paid an agency charge which is a percentage of the cost of the projects undertaken.

In October 1945 the agency charge was fixed at 10 per cent but w.e.f. 1 April 1954 it was reduced to 7½% and then raised w.e.f. 1 October 1975 to 9 per cent the State authorities are, in addition, paid one per cent of the estimated cost of works for quality control. The Committee are unhappy to note that Government took no pains to review the agency charges for over two decades, from 1954 to 1975, particularly when during this period substantial investment was made on road development in the country.

[Sl. No. 53 (Para 3.87) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The available records in this Ministry show that the question of enhancement of agency charges payable to the States for execution of National Highway Works was taken up by this Ministry as early as 1969 when some of the State Governments represented for enhancement of agency charges. This matter also came up for discussions in Chief Engineers' meeting held in Darjeeling in April 1970 and also in Transport Development Council meeting held at Bangalore in September 1970, wherein it was explained by this Ministry that for a proper analysis of the problem, it was essential that the State Government should supply the detailed facts and figures in support of their proposal. Subsequently, some of the State Governments started writing to this Ministry making formal request for enhancement of the rates of agency charges. Although, there was concensus for an enhancement of the rate, the extent of increase suggested by the State Governments was not unanimous. In order to facilitate a purposeful examination of the problem not only was the basic data necessary from the State Governments but it was also necessary that the data should be furnished by them in an uniform manner so that proper comparisions could be made and conclusions arrived at. For this purpose circular was sent to all the State Governments and Union Territories in 1971. On the basis of the information received from the various State Governments a detailed paper on the subject was prepared and referred to the Ministry of Finance in May 1972. That Ministry raised a number of queries in regard to proposal for enchancement of agency charges. Since then the matter remained under active consideration in this Ministry in consultation with the Ministry of Finance and the State Governments. Further collection of data and information from the States as required by the Ministry of Finance, for consideration of the proposal took considerable time. It was in 1975 that Ministry of Finance finally agreed to the enhancement of agency charges from 7½% to 9 per cent w.e.f. 1-10-1975. Thus, it will be observed that this Ministry was alive to this problem and took necessary action as soon as the need for review of agency charges payable to the States was felt.

[Ministry of Shipping & Transport O. M. No B-29(1)/78 Vol. II dated the 26-6-78]

**Recommendation**

The Committee find from the data furnished (Appendix X) that the charges on account of overall establishment expenditure as also for tools and plants vary greatly from State to State For example, while the charges for overall establishment expenditure are only

8.08 per cent and 8.10 per cent in the case of U.P. and Punjab, respectively these rose to 22.90 per cent and 16 22 per cent in the case of Maharashtra and Orissa respectively. Similarly, while for tools and plants the average percentage expenditure in the case of Punjab and U.P. are 1.19 and 1.56 per cent in respectively, those are 9 88 per cent and 6.79 per cent in the case of Tamil Nadu and Maharashtra respectively. The Committee are unable to appreciate this wide variation in the percentage of expenditure either on account of the overall establishment charges or tools and plants and they recommend that the matter may be looked into in depth by a team of technical experts which should have on it, *inter alia* a representative of the Cost Accounts Branch of the Ministry of Finance, so that the agency charges are fixed on a more scientific basis. The Committee suggest that this exercise may be undertaken on a priority basis during the current Plan period so as to provide a firm basis for fixing the agency charges at least for the Sixth Plan period.

[S. No. 56 (Para 3 90) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha) ]

**Action Taken**

The agency charges payable to State Governments have recently been raised (11-10-1975) from 7½ per cent to 9 per cent after duly taking into consideration important aspects of the agency functions and the organisational in puts which the States have to deploy for proper survey and investigations, designs, formulation of projects, tendering settlement, handling of execution so as to ensure quality control and timely completion their accounting monitoring etc., by assessing the cost components for all these in puts based on a model organisational chart for typical yearly work load to be handled, besides taking into consideration the actual organisational percentage cost over a period of 5—10 years or so as intimated by the States. It may be mentioned that before taking a final decision in the matter there was prolonged correspondence with the State Governments and discussions with the State Chief Engineers at the periodical State Chief Engineers meetings. Ministry of Finance were also consulted who were fully satisfied before agreeing to the proposed upward revision of the agency charges to the extent of increase agreed to as referred to above. The Government of India thus considered all aspects of the issue and raised the agency charges, bearing also in mind that the National Highways in any case benefited the areas and the region in which these were located, and therefore do not consider it desirable to reopen this question by appointing a committee of technical

experts to go into the matter so soon after the recent upward revision of agency charges for the following reasons:—

(i) The variation in the overall percentage establishment expenditure related to works outlay between the various States is bound to be there for a variety of reasons. Wage structure of labour and its availability is not uniform throughout the country but varies from State to State. The scales of pay of officers exercising administrative and execution control and frequent inspections of works also vary from State to State. The cost of materials and their carriage to site for use in the work would be another variable factor. Also depending on the extent of traffic to be catered for and the terrain and environmental conditions of the area, the scope of road designs and specifications, and therefore, the project unit cost such as per kilometre of a road or of a bridge its training works and approaches would vary from project to project, and location to location. The profit margin and overhead expenses charged by contractors, to whom the work is generally let out after sanction, would be yet another variable factor. As regards variation in expenditure on tools and plants from State to State, it may be mentioned that this expenditure is actually a fair allowance, towards wear and tear of the tools and plants with the State Government, that is debited to works on which tools and plants have been used. With the increasing intensity and volume of traffic, the need for exercising greater quality control in the execution of road works has received an added impetus. The quality control in the execution of road works can best be ensured by resorting to mechanisation in construction techniques in certain essential elements of the project construction requirements and a suitable judicious blend of mechanisation and manual means in other project elements to obtain a durable and satisfactory riding quality of roads. Higher expenditure in the case of certain States are indicative of some higher extent of mechanisation in certain road construction techniques of some project elements being adopted in these States as may be required by volume and nitensity of traffic and the project design requirements, for terrain, environmental and other conditions.

(ii) It may be mentioned that the State Governments, who execute road works on our behalf do not keep separate set

of figures of expenditure incurred by them on road works financed by different departments of the State or by the Central Government. The matter is further complicated in most of the States where the P.W.D. Divisions which execute the work are of a mixed nature in the sense that they execute buildings for various departments of the State in addition to the roads mentioned above. Even in the matter of execution of roads for various departments of the States and of the Central Government, there will be considerable degree of variations in the specifications, design and scope of works from project to project and quality control which, in their turn, would need different dosages of supervisory and control staff. In such a situation an expert committee, if appointed, would find it extremely difficult to work out with a reasonable degree of accuracy, the amount of agency charges payable to the States for execution of Central Road Works.

(iii) Another factor that would weight with the Government including its Finance Department, in not agreeing to the appointment of an expert committee, is that in case the expert committee, after its deliberations, recommends a higher level of agency charges than what has recently been agreed to and should the Government not accept the said recommendations for higher agency charges, for obvious reasons, the expert committee report would raise a controversial issue between the Centre and the States which the Centre would like to avoid in the context of delicate Centre and States Relations.

(iv) The Government, however, is not averse to reviewing the question in the light of the experience gained over the next 8 to 10 years when the recommendations of the Public Accounts Committee would be kept in view

[Ministry of Shipping and Transport, O.M. No. B-29(1) 78-Vol. II, dated the 10-8-1978 ]

**Recommendation**

The Committee need hardly point out that in reviewing the agency charges, Government may also take into account the system obtaining in Britain and other leading countries where such charges are similarly reimbursed by the Central authority to the State and local authorities for execution of projects connected with National Highways.

[S. No. 57 (Para 391) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha).]

**Action Taken**

It has been stated in reply to para 3.90 that in the context of the position stated there in, it is not desirable at the present juncture to appoint a team of technical experts to go into the question of fixation of percentage of agency charges to be reimbursed to the State Governments so soon after the recent upward revision in october, 1975. However, as desired, a reference has been made to the Indian High Commissioner in U.K. and Embassies in U. S. A., France and German Democratic Republic, for collecting and furnishing all possible relevant information relating to the reimbursement of agency charges to the States and Local Authorities by the Central Government in those countries. This information will be made use of by this Ministry as and when the rate of percentage of agency charges payable to the State Governments for execution of National Highway Works is taken up for review in the light of the experience gained over the next 8-10 years.

[Ministry of Shipping & Transport O.M. No. B-29(1)/78-Vol. II dated the 10-8-78]

**Recommendation**

The Committee would also suggest that the technical team may *inter-alia* devise and recommend such institutional arrangement for reimbursement of agency charges which would provide an in-built check on timely completion of the works and ensure that these conform to quality specifications.

[S. No. 58 (Para 3.92) of Appendix XIV to 18th Report of P. A. C. (6th Lok Sabha)]

**Action Taken**

It has been stated in reply to para 3.90 that in the context of the position stated therein, it is not desirable at the present juncture to appoint a team of technical experts to go into the question of fixation of percentage of agency charges to be reimbursed to the State Governments so soon after the recent upward revision in October, 1975. It may, however, be relevant to mention in this connection, that the following steps/procedures of a positive nature are already being meticulously taken by this Ministry to ensure the timely completion of the National Highway works and their conformity to the prescribed standards and quality specifications.

(1) The State Public Works Departments are required to furnish to this Ministry a Quarterly Progress Report indi-

cating comprehensively all aspects of the physical and financial progress made on each sanctioned work. In this report, a certificate is also recorded by the concerned field officer to the effect that the work has been or is being executed according to the prescribed quality controls and field tests. This report is required to be submitted by 20th of the month following the quarter under report. These reports are a key to our efforts in monitoring the pace of progress on various works for taking timely action where needed.

(2) The State Governments are required to furnish a consolidated monthly statement of expenditure on the roads schemes being implemented by them by the 20th of the month following the month of which the expenditure relates. These returns help us to keep a close watch on expenditure being incurred in a controlled manner.

(3) A critical workwise review is carried out in the Roads Wing at the time of framing Budget Estimates & Revised Estimates to assess progress on each work.

(4) Senior Project Officers of Roads Wing carry out inspections of works in progress. These inspections provide ample opportunity for mutual discussions between the Officers of this Ministry and the State Public Works Department for removing any bottleneck or hurdles in the proper implementation including quality control aspects and timely execution of the Roads Schemes.

(5) The State Chief Engineers in charge of National Highway Works and other Centrally Sponsored Schemes have been requested to send a monthly letter addressed to the Director General (Road Development) and Additional Secretary, highlighting the problems confronting the smooth execution of Central Roads Schemes and for seeking our assistance where necessary.

(6) The Regional officers of this Ministry in the States are required to send a monthly report to this Ministry indicating the upto date progress of the works inspected by them including their observations on the pace of progress, quality of execution and any bottlenecks in the speedy implementation of works.

(7) Suitable instructions are issued from time to time to the State Governments/State Public Works Departments for

stepping up of tempo of works in progress with a view to achieving maximum utilisation of the available funds during the year.

(8) Quality Control Manual for Road Works has been issued by the Indian Road Congress and one for bridge works is actively being finalised. With the help of these Manuals, the site Engineers are expected to exercise proper quality controls by undertaking prescribed tests on a particular job.

(9) Periodical meetings at the level of Transport Development Council and State Chief Engineers are arranged in which problems concerning roads in general are discussed and experiences exchanged in the field of planning, project preparation and exchanged and monitoring evaluation. In these meetings, emphasis is laid primarily on enforcement of quality control during execution of their timely completion.

(10) With a view to creating quality control consciousness amongst the Engineers with the State PWD Deptts. who execute Ministry's works on agency basis, workshops have been organised at some of the State capitals and this programme is being pursued to hold similar workshops at other places. These workshops have proved useful specially to the young engineers in furtherance of the objective of creating the necessary awareness amongst them, so that every asset that is created bears a virtual stamp of having undergone the necessary quality control tests before the same is put to use.

(11) A separate Monitoring Cell has been set up under a Chief Engineer in the Roads Wing. Its job is to monitor the progress of various schemes and to bring out slippages and short falls, wherever they occur so that a timely remedial action can be taken so that the targets set for various schemes are adhered to as far as possible.

[Ministry of Shipping & Transport O.M. No. B-29(1)/78-Vol. II dated the 10-8-78]

**Recommendation**

The Committee are unhappy to note that although the Committee set up for "Suggesting Measures to Expedite the Execution of Bridge and Roads Works", had recommended as early as in 1972

the creation of a National Highway Construction Corporation for execution of all major highway and bridge projects in the country, with similar Corporations in the States, the Government moved in the matter tardily and a decision to set-up a Central Road Construction Corporation was taken only in 1976. According to the information furnished by the Ministry on 12th April, 1977, the Corporation was registered as a Company under the Companies Act, 1956 on 20 December, 1976, and has now started functioning. It has been set up on the lines of any commercial organisation and is primarily for undertaking road and bridge construction works abroad besides taking up any such works within the country. The Committee have been informed that the Chairman-*cum*-Managing Director is now engaged in visiting various Gulf countries for exploring the possibilities of securing contracts. Actually, in one case, the Corporation has submitted a tender for the Helmand Valley Development Road Project in Afghanistan in collaboration with Helmand Valley Development Corporation, which is a local Corporation wholly owned by the Government of Afghanistan.

[S. No. 59, Para No. 3.104 of Appendix XIV to 18th Report of PAC (6th Lok Sabha)].

**Action Taken**

The need and importance of setting up public sector Corporations for undertaking various road and bridge works including National Highways, has been brought at several forums to the notice of the State Govts. who execute the National Highway and other Central Sector Road Works. As a result, a number of States like U.P., Kerala, Bihar, Orissa, Assam, Gujarat etc. have already set up Public Sector Constructions who bid for N.H. Works also and are in many cases are already handling N.H. works also, especially bridges like U.P. Bridge Construction Corporation, Kerala Construction Corporation, etc. In some cases, N.H. works are also being handled by the Border Roads Organisation which does the entire work departmentally.

The Indian Road Construction Corporation is actually an additional measure taken in this direction. It has already signed two contracts abroad—one for about Rs. 13 crores in Libya and another for about Rs. 10 crores in Iraq. It has submitted bids for two more contracts costing about Rs. 150 crores in Libya. The Corporation is also trying to undertake works within India. Action on this is already being taken on the lines indicated by the Committee.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II dated 19-6-78].

**Recommendation**

As far as construction work within the country is concerned, the Committee stress that not only there should be complete coordination in the matter with the National Buildings Construction Corporation, National Project Construction Corporation, Border Roads Organisation etc. but also with the State Corporation where these exist. The Committee would like to judge the functioning of the Corporation by the manner in which it executes the works connected with National Highways etc. with greater efficiency, speed and lesser cost.

[S. No. 60 Para 3.105 of Appendix XIV of 18th Report of PAC (6th Lok Sabha)].

**Action Taken**

Works on National Highways and other Centrally aided works are executed by various State Governments on agency system basis. These are put to competitive tendering by giving wide publicity through mass media and all Public Sector Construction Corporations, both in the States and the Central Sector, are also free to bid for securing these jobs and in a number of cases have been awarded works in states of U.P., Assam, Kerala, Bihar and Orissa. Some NH works are also being handled by the Border Roads Organisations which executes entire work departmentally.

The Indian Road Construction Corporation is another such Organisation for taking up works both in India and abroad. It has already signed two contracts abroad—one for about Rs. 13 crores in Libya and another for about Rs. 10 crores in Iraq. It has submitted bids for two more contracts costing about Rs. 150 crores in Libya. The Corporation is also trying to undertake works within India. The directive of the Committee on efficient working of the Indian Roads Construction Corporation which alone is under the administrative control of this Ministry in the field of roads has, however, been noted.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)'78-Vol. II. dated 27-6-1978].

**Recommendation**

The Committee note with concern that there had been wide variations from State to State in the quantum of grants given out of the Fund during the last five years from 1971-72 to 1975-76. For example in 1975-76 Maharashtra got highest (Rs. 120.70 lakhs) followed by West Bengal (Rs. 86.60 lakhs) and Assam (Rs. 57.20

lakhs) and these three States together accounted for nearly one-third of the total releases of Rs. 768.49 lakhs during 1975-76. The payments made to the State|Union Territories fluctuated from year to year. For instance, while Rs. 147 lakhs were released to Maharashtra in 1972-73 it was reduced to Rs. 46.60 lakhs in 1974-75 and then raised to Rs. 120.70 lakhs in 1975-76. A somewhat similar trend is noticeable in the case of grants to Uttar Pradesh, Haryana and Rajasthan where the releases had been widely varying from year to year. The Committee need hardly emphasise that releases from the "Allocation" portion of the Fund to the States|Union Territories should be regulated and paid strictly on the basis of specific norms which should be made known to the States.

[Sl. No. 63 Para No. 3.117 of Appendix to 18th Report of PAC (6th Lok Sabha)].

**Action Taken**

The Central Road Fund comprises of two sub-divisions namely (i) Central Road Fund (Allocation) account; and (ii) Central Road Fund (Ordinary) Reserve account. According to the Resolution governing the Fund (Copy enclosed) 80 per cent of the accruals to the Fund go to the Central Road Fund Allocation Accounts and are distributed to the States on the basis of actual petrol consumption subject of course to the availability of resources in the budget, the total cost of schemes in hand, and their stage of progress. The balance of 20 per cent goes to the Central Road Fund (Ordinary) Reserve which is provided to the States by way of grant in aid for schemes put up by States in accordance with the objectives [*vide* para 6(d) of the enclosed resolution] of Central Road Fund Resolution as are approved by Government of India.

In the case of Maharashtra and West Bengal etc., there are big metropolitan cities like Bombay, Calcutta etc. where the consumption of motor spirit is much more than other States. Naturally on the basis of motor spirit consumed to these big cities, the accruals to these States is bound to be on the high side as compared to other States. Accordingly the schemes approved against these accruals and the allocation of funds to these States is naturally on the high side in comparison with other States.

As indicated in para 1 above, the allotment of funds out of the Central Road Fund in any financial year is made taking into account (i) cost of schemes approved in the State; (ii) re-

quirements received from the State Govt.; (iii) provision available in the budget; (iv) and the amount due to a State and the requirements projected by various States based on actual expenditure during April to December of the year and likely expenditure during last quarter of the year. Subject to availability of funds, the above criteria form the basis of allotment during a year. These are already known to States as copies of the Resolution governing the Central Road Fund have already been supplied to them. The fluctuation in payments made to various State|Union Territory Govts. was due to variation in availability of funds in the budget and requirements projected by State Govts. Heavy reduction in the budget provision during 1974-75 due to financial stringency resulted in much smaller allotments to various States|Union Territory Govts. during the year. Later on, when the budgetary position improved the allotments were also raised accordingly.

[Ministry of Shipping and Transport (Roads Wings) O.M. No. B-29(1)|78-Vol. II dated 19-6-78]

**Recommendation**

The Committee further note that during the last five years, except for 1974-75 when the total expenditure had exceeded the total allocations, there have been shortfalls in the expenditure by the States during the remaining four years. The percentage of expenditure incurred was 56% in 1971-72, 55 per cent in 1972-73, 88% in 1973-74, 108 per cent in 1974-75 and 80 per cent in 1975-76 of the total allocations made during the each of these years.

[Sl. No. 64 (Para 3.118) of Appendix XIV to 18th Report of P. A. C. (6th Lok Sabha)].

**Action Taken**

The observations of the Committee have been noted for future. However it may be stated that the allotments are made on the basis of the requirements projected by the various State Governments. Being a non-lapsing Fund, if any portion of the allotment remains unutilised, the same can be utilised in the subsequent years. The allotments out of Central Road Fund are made in lump sum to the State Governments and it is at the discretion of the State Government to expend the money on approved works according to priority assigned by them to the works, as all the road/bridges financial from this source are state roads/bridges.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 19-6-78].

**Recommendation**

In respect of some State (Appendix XI) the Committee find that the expenditure incurred was in excess of allocation; for example, in Maharashtra during 1975-76 it was Rs. 147.89 lakhs as against Rs. 120.70 lakhs allotted. Similarly, in the case of West Bengal, the expenditure incurred in 1975-76 was Rs. 115.48 lakhs against Rs. 86.60 lakhs allotted. From the heavy shortfalls and excess expenditure incurred it appears that no proper watch was kept over the execution of the works. The Committee urge the Government to see that Allocations are made on realistic basis and that the approved scheme are progressed appropriately in accordance with funds allocated to obviate shortfalls and excesses.

[S. No. 65 (Para 3.119) of Appendix XIV to 18th Report of P. A. C. (6th Lok Sabha)].

**Action Taken**

The expenditure on works financed from Central Road Fund is initially incurred by the State Governments from their own budget and subsequently re-imbursed by the Centre at the close of the year on the basis of the requirements projected by various States based on actual expenditure during first three quarters of the year and likely expenditure during last quarter, subject to the availability of funds in the budget. The allotments are made in lumpsum to the State Governments and it is at the discretion of the State Government to incur expenditure on the approved works according to the priority assigned by it. As the Central Road Fund is a non-lapsing Fund, the expenditure incurred in excess is taken into account in subsequent years while making allotments. In the case of States which could not utilise the full amount of allotment though originally required by them the unutilised balance lying with the State Government is also taken into account while making allotment in the subsequent year.

A review of the matter has since been taken up and consequently the guidelines will be enforced in future.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 19-7-78].

**Recommendation**

The Committee note that the scope of the objectives of the fund under the revised Resolution has been widened considerably. The Committee would like special attention to be paid to projects for

promoting inter-State road facilities, helping in the opening of new area, providing funds for schemes of research and investigations etc.

[S. No. 66 Para 3.120 of the Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)].

**Action Taken**

A copy of the revised Resolution governing the Central Road Fund is attached. It will be seen from para 6(a), (b) & (d) of the Resolution that it already provides for the requirements indicated above. In fact, it attaches importance also to research, traffic and economic studies for roads, training of Young road and bridge engineers besides various categories of road and bridge works as specified. Accordingly, in accordance with the revised objectives, this Ministry have agreed to finance the following schemes relating to the augmentation of the Laboratory facilities for promoting research activities from the Central Road Fund (Ordinary) Reserve on matching basis:—

(i) Bringing up the labs to the standard of the CRRI Model Testing and Control lab. envisaged in the quality control Manual (7 States @ Rs. 5 lacs each)

Rs. 35 lacs

(ii) Mobile laboratories (20 States @Rs 2.3 lacs each)

Rs. 46 lacs

In addition, this Ministry have also decided to finance the following schemes relating to Research and Development from the Central Road Fund (Ordinary) Reserve:—

(i) Construction of Roads on expensive clays.

(ii) Expansion joints for road bridges.

(iii) Corrosion and corrosion protection of concrete bridges in Marine Environment, and

(iv) Determination of live load surcharge behind bridge abutments due to IRC loading.

This Ministry have also requested the State Governments to consider the feasibility of financing the Traffic Engineering Cells in States from their Account in the Central Road Fund (Allocations). Funds are also being provided for roads/bridges of inter-State importance and those leading to opening up of new areas.

It may be added that so far the requirement of inter-State road/bridge projects and those required for opening up new areas is concerned, there is also another scheme for providing Central financial assistance called the 'Central Aid Programme of State Roads of inter State or Economic Importance'. The objectives of the programme are to provide Central financial assistance for the following road schemes:—

(i) Inter-State roads/bridges necessary for ensuring through communications;

(ii) Roads/bridges required for opening up new areas to which railway facilities cannot be provided in the near future; and

(iii) Roads/Bridges which can contribute materially to rapid economic development, *e.g.* in hilly areas and places having rich mineral resources for exploitation.

This scheme was initiated in 1954 and has continued since then. A total sum of Rs. 79.97 crores has been paid under this scheme to States/Administrations from 1954-55 to 1977-78. The new plan (1978-83) currently under finalisation will provide not only for all the 'carry over works' but also for some 'new work'.

It would thus be seen that the requirement of roads/bridges of inter-State or economic importance and those needed for opening up new areas is receiving full attention both from the Central Road Fund and under the Central Aid Programme of State Roads of inter-State or Economic Importance referred to above. The Govt. is thus already taking action on the lines indicated by the Committee.

[Ministry of Shipping & Transport (Roads Wing) O. M. No. B-29(1)/78 Vol. II dated 22-6-78].

**Recommendation**

The Committee would also like the Government to comprehensively review the working of the Fund in the light of its objectives and inform the Parliament of the results of such a review, before the commencement of the sixth Plan.

[S.No. 69 Para 3.123 of the Appendix XIV to 18th Report of the Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The modified Resolution governing the Central Road Fund as finally adopted (copy enclosed) was last passed by the Lok Sabha only on the 18th June, 1977. Thereafter, it was circulated to all States| Union Territories in June, 1978 (copy enclosed) (Annexure). It is felt that it is rather too early to undertake any review of the working of the revised objectives of the Central Road Fund and it may be desirable to undertake such a review, if necessary, after sufficient time elapses.

2. It may, however, be added that during the short period after the revised Resolution was finally adopted by the Lok Sabha, in addition to the works approved from this source in different States| Territories covering different objectives of the revised Resolution, the Government of India have offered grants-in-aid on matching basis for the following schemes relating to augmentation of laboratory facilities for material testing|research from the Central Road Fund (Ordinary) Reserve:—

(i) Bringing up the laboratories to the standard of the C.R.R.I. Model|Testing and Control laboratory envisaged in the quality control Manual. (7 States at Rs. 5 lakhs each). Rs. 35.00 lacs

(ii) Mobile laboratories (20 States at Rs. 2.3 lacs each) Rs. 46.00 lacs

In addition to this, the Government of India have also decided to finance the following schemes relating to the Research and Development from the Central Road Fund (Ordinary) Reserve:—

(i) Construction of roads on expensive clay,

(ii) Expansion joints for road bridges,

(iii) Corrosion and corrosion protection of concrete bridges in Marine Environment,

**(iv) Determination of live road surcharge behind bridge abutments due to Indian Roads Congress loading.**

The Government of India have also requested the States|Administrations to consider the desirability of financing the setting up of Traffic Engineering Cells in States from the Central Road Fund (Allocations) Account. A proposal has also been initiated for financing from the Central Road Fund (Ordinary) Reserve training of one engineer in West Germany in connection with the design etc. of the second Hooghly Bridge. In addition several projects having importance from the point of view of inter-State communication, development of tribal/backward areas, etc. have also been approved.

Government is thus already taking action on the lines of the revised objectives of the Resolution governing to Central Road Fund.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)/78 Vol. II dated 22-6-78]

*ANNEXURE*

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT

(Roads Wing)

Telegrams — Transport Bhavan

*ROADIND* — 1, Parliament Street

No. OR/MSC|26|75 — New Delhi the 27th June, 1977

To

All State Governments and Union Territories,
[P.W.D. (B&R) Secretaries]

SUBJECT.—*Resolution Governing the Central Road Fund.*

Sir,

I am directed to say that, as the State Government/Local Administration may be aware, the question of continuance or otherwise of the Central Road Fund had been under the consideration of the Government of India for quite sometime past. Finally, it has been agreed to continue the Fund but the objectives of the Fund indicating the type of schemes which could be financed from the Central Road Fund Allocations Account and Central Road Fund (Ordinary) Reserve have been modified so as to give comparatively higher emphasis to matters like research, training, investi-

gations studies, etc. which generally do not get adequate attention as part of the normal development schemes. The list of road/bridge works which could be financed from this source have also been somewhat modified so as to make it more specific, precise and broad-based.

2. The resolution with revised objectives and some other consequential changes was placed before the parliament and a copy as passed by the two Houses of Parliament is enclosed. I am to request that in future while sending proposals to be financed out of the Central Road Found, the revised objectives of the resolution may be kept in view and details of the schemes with justification given on the basis of the modified objectives.

Yours faithfully,
(R. C. Jain)

Under Secretary to the Government of India

Encl: As above.

Copy with a copy of the Resolution forwarded for information and necessary action to:

1. All Chief Engineers, P.W.D. (B&R) of States/U.Ts.
2. All R.Os/ELOs.
3. P.A. to Secretary, DG(RD), F.A., ADG(B), Chief Engineers and Superintending Engineers at Head-quarters.

(R. C. Jain)

Under Secretary to the Government of India

Encl: As above.

**Recommendation**

The Committee note that during the 4th Plan the surveys and investigations of local site conditions were often lacking in many major respects as a result of which the estimates, prior to their sanction by the Ministry, required clarifications or the essential data about which, even after sanction, had gaps. During execution the shortcomings had to be removed by frequent revisions of the estimates. For example, on National Highway 2 in the Agra Bhognipur stretch in U.P., one year after the Commencement of widening and strengthening of the works, major changes in the design of the road crust were proposed by the State PWD due to the earlier soil data having to be substantially altered to reflect actual site conditions

Similarly, laboratory reorts on sub-grade soil tests for improvements to the low-grade sections of the road between Keonjihar and Kanjipani on National Highway 6 in Orissa were furnished after the earth work was completed. In the case of widening and strengthening the Krishnagiri Madurai Section of National Highway 7 in Tamil Nadu, improvements for geometrics and reconstruction and widening of existing culverts were not incorporated initially in the estimates prepared by the State PWD, which were generally defective due to the inadequate field studies and investigation. Likewise, estimates for 4 by-passes on NH 31 at Koderma, Jojouli Nawadah and Biharshrif in Bihar and for 9 works on NH 28 in U.P. in Lucknow and Basti Divisions had to be revised upwards ranging from 18 to 157 per cent, due to the original estimates being defectively framed. According to the explanation of the Ministry the main reason for the inadequacy of pre-estimate surveys and investigations on the part of the States was their disinclination to create separate organisations, specially for survey, investigation and project preparation.

2. The Committee feel that as the State authorities are paid an advance at the rate of 1-3 4 per cent out of the agency charges to meet preliminary investigatory expenditure, as also 1 per cent of the cost of project for field survey, it is but proper that the authorities be persuaded to have adequate technical organisation to prepare the project estimates.

[Sl. No. 70—(Para 4.30) of APPENDIX XIV to 18th Report of the PAC (6th Lok Sabha)]

**Action Taken**

The Government of India are fully aware of the need and urgency of proper comprehensive surveys and investigations and design and project preparation in a complete form, and have taken a number of steps to achieve these objectives. These are explained in the succeeding paras.

Over the years the Indian Roads Congress, which is a premier body of Highway Engineers, working in close association with the Roads Wing have issued a number of guidelines and circulars in the light of the experience gained in the earlier Plan periods specially during the 4th and 5th Plans. They have also published a Manual in regard to surveys, investigations, project preparation, etc. in respect of roads and a similar manual for bridges is under finalisation.

During 1973, the Roads Wing had also launched a programme of conducting one week workshops at different selected centres in the country in order to enable the P.W.D. officers in the States to get familarised with the expected techniques of survey, investigations, designing, project preparation and execution of Highway and Bridge Projects including quality control and management.

More recently, the Roads Wing discussed at the meeting of all India Chief Engineers a model set up of Highway Departments which also provides for a full fledged circle for investigations, designing, project preparation etc.

In addition, the Roads Wing have been issuing from time to time detailed comprehensive instructions on the subject and it is hoped that all these would go a long way in achieving the required results.

[Min. of Shipping & Transport O.M. No. B-29(1)/78-Vol. II dated the 31 July 1978].

**Recommendation**

"The position has been still worse in the case of sanctioning estimates for major bridge works. The Committee observe that whereas the time taken to sanction the estimate was 4 months (October 1955 to February 1956) in respect of Rupnarayan bridge on NH. 6 in West Bengal, it was 13 years (1956-1969) in the case of Bhader bridge on NH. 8B.

[S. No. 75 (para 4.35) of appendix XIV to the 18th Report of P.A.C. (6th Lok Sabha)].

**Action taken**

Proposal for the construction of Bhadar Bridge on NH. 8B in place of the existing one which was rail-cum-road bridge at a location of 150' away from the existing bridge, was received from Saurashtra Government in this Ministry in January 1956. In the meanwhile Ministry of Defence intimated that whenever a new bridge is to be located near the existing rail|road bridge a minimum distance of 400 yds. may be kept between the two. Consequently, the then Bombay State Government who wee then dealing with this case were asked in October, 1957 to explore the feasibility of locating the bridge as per the instructions of Ministry of Defence. State P.W.D. after carrying out preliminary investigations furnished their proposal in September 1958, for construction of the bridge at a site

470 yds. away from the existing bridge. After examining P.W.D.'s proposal, they were asked to carry out detailed sub-soil exploration and obtain the data required for the design of the bridge at the alternative site.

2. Due to financial stringency and also as the bridge was not on the priority route specified by Ministry of Defence during the emergency of 1963, this project did not find a place in the Third Five Year Plan.

3. Only in the Draft Fourth Five Year Plan this bridge was included but the estimate could not be sanctioned till the 4th Plan proposals were approved in 1969. Thus the delay is mainly due to the non-inclusion of the project in the approved Plan provision till 1969.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. NHV/Misc/23/78 dated 21 June 1978]

**Recommendation**

The Committee understand that in order to reduce the time taken on sanctions, the Administrative Reforms Department at one stage had suggested delegation of powers to the States to sanction Road and Bridge estimates upto Rs. 25 lakhs and Rs. 15 lakhs respectively, but as a result of discussions had finally stated that they would be agreeable if the delegation of powers was restricted to Rs. 10 lakhs to begin with. According to the Ministry, this matter is currently under consideration.

The Committee consider it essential that Government should review *de novo* the existing financial powers delegated to the State Governments, Roads Wing and the Ministry of Shipping & Transport in consultation with the Ministry of Finance in the light of the experience gained during the 4th and 5th Plans (so far) so as to rationalise the issue of sanctions to the project estimates by various competent authorities.

[Sl. Nos. 78 & 79 (Paras 4.38 & 4.39 of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

Keeping in view the suggestion of the Administrative Reforms Department and the demands of some States, a decision has already been taken to delegate powers to the State Govt. to accord technical

and financial sanction to detailed plans and estimates for National Highway (Original) works costing upto and including Rs. 10 lakhs. A notification No. S.O. 680(E) dated 15th October, 1976 amending the National Highway Rules in this regard has been published in the Gazette of India (Extraordinary) dated 18th October 1976 *vide* Annexure I and conveyed to all State Govts. *vide* this Ministry's letter No. PL-30(192)/71 dated 5th January, 1977 (Annexure II).

2. Another step intended to reduce delays in the execution of works is that the State Govt. have also been authorised subject to certain conditions as indicated in Annexure III to this note to accept tenders upto 15 per cent in excess of the current schedule of rates even though the sanctioned estimates may have been prepared and sanctioned earlier based on the schedule of rates, applicable then.

3. In this connection it may be pertinent to point out that National Highways are constitutionally a Central subject and the Govt. of India in the Ministry of Shipping and Transport are primarily responsible to Parliament and its various bodies as regards the proper development and maintenance of these highways and the attainment of proper standards and specifications. Actually, the nature of development in scope and character and the order of investments involved in the case of National Highways for catering to the growing traffic, call for certain specific technical and financial scrutiny of projects by the Central Ministry of Shipping and Transport (Roads Wing) and as such any delegation of powers of a higher magnitude exclusively to the States is not deemed desirable. As such, the decision to delegate certain powers to the State Govts. as mentioned above is in itself an important step as far as administration of National Highways in this country is concerned. The present delegation of powers has been in operation for only about one year, which is an insufficient period for making a proper assessment of the working of the measure. In view of this, it is felt that it might be prudent to study its working for a few more years and gain more experience before carrying out a further review of the position regarding delegation of financial powers to the States.

It may be added that besides the delegation of powers made to States as mentioned above, within the Ministry itself, powers for

according technical approval have been delegated to the various officers as under:

| S. No. | Designation of officers | Powers delegated |
|---|---|---|
| 1. | Executive Engineer (Roads/Bridges/ Mechanical) | Upto and inluding Rs. 1,co,coo/- |
| 2. | Superintending Engineer (Roads/Bridges Mechanical) | Above Rs. 1 lakh and upto and including Rs. 10 lakhs |
| 3. | Chief Engineer (Roads/Bridges/Mechanical | Above Rs. 10 lakhs but below Rs. 50 lakhs. |
| 4. | Additional Director General (Roads/ Bridges) | Rs. 50 lakhs and upto and including Rs.1· crores. |
| 5. | Director General (Road Development) | Above Rs. 1·5 crores. |

While exercising these powers, the officers concerned are required to keep in view specially the following points:

(i) In cases where a work is not included in the approved programme or expenditure on which during the year cannot be met from within the sanctioned budget grant, the orders of the DG(RD) should invariably be taken before technical approval is accorded to such a work and;

(ii) In all matters involving policy questions, major difference with the State Govts. doubts in regard to interpretation etc. the case will continue to be referred to the DG(RD) irrespective of the amount of the estimate.

The aforesaid paras mean that technical officers concerned can accord technical approval to estimates upto the amounts specified above and in cases requiring financial sanction, they can refer the cases to the Finance Division directly without routing them through higher officers.

In regard to financial sanction, the Ministry has been delegated powers to accord financial sanction themselves in consultation with the integrated Finance Division upto Rs. 25 lakhs provided the budget provision exists for the work. Estimates costing more than Rs. 25 lakhs are required to be referred to the Financial Adviser for his concurrence and those costing more than Rs. 1.00 crore/Rs. 5.00 crores are referred to E.F.C/P.I.B. respectively for their concurrence/recommendation.

It would thus be seen that the Ministry is already trying to implement the main ideas underlying the recommendations of the Committee referred to above regarding the delegation of powers to the various authorities.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 16-9-78.]

*ANNEXURE I*

MINISTRY OF SHIPPING & TRANSPORT
(ROADS WING)

NOTIFICATION

New Delhi, the 15th October, 1976.

S.O. 680(E).—In exercise of the powers conferred by section 9 of the National Highways Act, 1955 (58 of 1956), the Central Government hereby makes the following rules further to amend the National Highways Rules, 1957, namely:—

1. (1) These Rules may be called the National Highways (Amendment) Rules, 1976.

(2) They shall come into force on the date of their publication in the official Gazette.

2. In the National Highways Rules, 1957:—

(a) for rule 3, the following rule shall be substituted, namely:—

"3. Detailed estimate of the original work: (1) where the estimates of the cost for the execution of any original work on National Highway exceeds Rs. 10.00 lakhs, a detailed estimate of the cost for the execution of the work shall be forwarded by the executive agency to the Central Government such form as the Central Government may specify in that behalf and that Government may accord technical approval and financial sanction to such estimate subject to such conditions as it may think fit to impose.

(2) Where the estimate of the cost for the execution of any original work on a national highway does not exceed Rs. 10.00 lakhs, technical approval and financial sanction to the plan and estimate for the execution of such work may be accorded by the executive agency concerned subject to

the conditions specified in the Schedule annexed to these rules.

(3) No original work on any national highway shall be undertaken by the executive agency until technical approval and financial sanction to the estimate for the execution of the work have been accorded by the Central Government or the executive agency, as the case may be, except in cases of emergency, such as flood, earthquake or any other force majeure which shall be immediately reported to the authority competent to sanction the estimate and the Audit Officer concerned indicating the approximate amount of liability involved".

(b) for rule 5, the following rule shall be substituted, namely:—

"5. Revised detailed estimate:—(1) where the expenditure upon any original work on a national highway for the detailed estimate of the cost for which the Central Govvernment has accorded technical approval and financial sanction under sub-rule (1) of rule 3, is likely at any time to exceed, or exceeds, the amount of such estimate by more than fifteen per cent thereof or by a sum of one crore rupees, whichever is less, the executive agency shall forward a revised detailed estimate of the cost for such work to the Central Government in such form as that Government may specify in that behalf, and the Central Government may accord technical approval and financial sanction to the revised detailed estimates subject to such conditions as it may think fit to impose.

(2) Where the expenditure upon any original work on a national highway to the detailed estimate of the cost for which the executive agency concerned has accorded technical approval and financial sanction, under sub-rule (2) of rule 3, is likely at any time to exceed, or exceeds, the amount of such estimate and the revised cost of the original work, including the excess, is likely at any time to exceed, or exceeds by more than fifteen per cent of the original estimate or Rs. 10.00 lakhs, the executive agency shall forward a revised detailed estimate of the cost for such work to the Central Government in such form as that Government may specify and the Central Government may accord technical approval

and financial sanction to such revised estimate subject to such conditions as it may think fit to impose.

(3) Not-withstanding anything contained in sub-rule (2), where the expenditure upon any original work on a national highway to the detailed estimate of the cost for which the executive agency concerned has accorded technical approval and financial sanction, under sub-rule (2) of rule 3, is likely at any time to exceed, or exceeds, the amount of such estimate and the revised estimate of the cost for the original work including the excess is likely at any time to exceed, or exceeds, by more than fifteen per cent of the original estimate but by not more than fifteen per cent of the rough estimate of the posts for the original work which the executive agency had submitted to the Central Government and obtained the approval of that Government, technical approval and financial sanction to such revised estimate may be accorded by the executive agency concerned subject to the conditions specified in the Schedule annexed to these rules:

Provided that the amount of the revised estimate is not likely to exceed, or does not exceed, Rs. 10 lakhs.

Provided further that the excess of expenditure is caused only by routine factors such as increase in the cost of labour or material and not due to revision in the scope of enlargement of the work or specifications already approved.

(4) Where the expenditure upon any original work on a national highway is likely at any time to exceed, or exceeds, the amount of the estimate of the cost for such work no funds shall be allotted to the work by the Central Government in the cases provided for in sub-rules (1), (2) or (3) unless the provisions of these sub-rules are complied with except in cases where the Central Government directs otherwise".

*Explanation.*—For the removal of doubts, it is hereby declared that in cases where the excess of expenditure is less than the percentage or amount specified in sub-rule (1) or sub-rule (2), it is not necessary to obtain technical approval and financial sanction of the Central Government for the revised estimate in accordance with these sub-rules only if the excess of expenditure is caused by routine factor

such as increase in the cost of labour or material and not due to revision in the scope of enlargement of the work or specifications already approved.

(c) The following Schedule shall be inserted at the end, namely:—

"The Schedule

[*See* rule 3(2)]

Conditions for the issue of technical approval and financial sanction to plan and estimate for execution of any original work on a national highway costing an amount not exceeding Rs. 10.00 lakhs by the executive agency concerned.

(1) The executive agency shall forward to the Central Government for approval rough cost estimates along with detailed information in respect of the particulars given below according to the tentative details given in the annual Plan works programme for a particular year, within a period of 3 months after the receipt of annual Plan works programme for the year:—

(a) Proposal in brief with a rough Plan of the area in which the work is to be executed.

(b) Extent of preliminary survey and investigation done.

(c) Broad features showing the existing position and the improvements desired.

(d) Traffic Data.

(e) Duration of execution.

(f) Phasing of expenditure and also physical performance.

(g) Rough quantities and estimated cost under broad headings such as:

| | |
|---|---|
| (1) Road Works<br>Land acquisition; earth work; road material | (2) Bridge Works<br>foundations, superstructure, gride gunds, etc. |

(i) List of equipments required for speedy execution of the

(i) List of equipments required for speedy execution of the work.

(j) Alignment plan and longitudinal section in case of roads; hydraulic data and outline designs of structures in case of bridges.

(k) Particulars for comparison of the similar works carried out in the same region.

(1) Special features, if any.

(2) (a) Permissible job sizes shall be regulated according to description given in the annual Plan works programme mentioned under condition (1) and the work shall not be split up.

(b) in the case of items having lump sum provision (such as improvement of geometrics, stablising slipping reaches, raising roads in submersible sections), each specific location supported by requisite details shall be treated individually.

(3) Technical approval and financial sanction shall be accorded only in respect of such items of works for which specific provision has been made in the budget during the year for the individual work on the basis of the approval given under condition (1).

(4) While sanctioning detailed estimates, the executive agency shall ensure that the rough cost estimate for the work appearing in the budget estimates accepted by the Central Government for presentation to Parliament is not exceeded by more than 15 per cent, or the total cost of detailed estimate to be sanctioned by that agency, in no case exceeds Rs. 10 lakhs, whichever is less.

(5) Abstract of cost of sanctioned detailed estimates in all cases shall be submitted by the executive agency in respect of the works sanctioned by that agency and in the cases of bridge estimates, in addition, a general outline drawing shall also be submitted. Abstract of cost of sanctioned detailed estimates shall give justification for excess, if any, referred to under condition (4).

(6) Progress reports in respect of all works sanctioned by the executive agency shall be submitted to the Central Government, in such form and at such periodicity as may be required by the Central Government from time to time.

(7) Technical approval and financial sanction to plans and estimates for execution of any original work on a national highway shall be accorded by the executive agency only after the

approval of an officer of the rank of Chief Engineer or Additional Chief Engineer or Principal Engineer in charge of national highway works has been obtained.

(8) In case the executive agency considers it necessary to accord technical approval and financial sanction after the approval of officers of the rank of superintending Engineers possessing requisite technical, administrative and financial powers, the prior approval of the Central Government shall be obtained but in all such cases they shall have to consult the Regional Officer concerned of the Ministry of the Central Government dealing with the National Highways.

(9) In the case of projects concerning bypasses, realignment and improvement of geometrics as also designs for bridges of length upto 100 metres and of individual spans not exceeding 30 metres even where cost may be within Rs. 10 lakhs, no work shall be sanctioned by the executive agency without prior approval of the Regional Officer concerned of the Ministry in the Central Government dealing with national highways.

(10) In the matters relating to technical approval and financial sanction, the following procedure shall be followed namely:—

(i) In case of the works where standards and designs adopted in the estimates are in accordance with the Indian Roads Congress Code and specifications and any other relevant instructions, guide lines, standard bridge designs, etc. issued by the Central Government from time to time, copies of the sanctions accorded by the executive agency shall invariably be endorsed to the Regional Officers concerned of the Ministry in the Central Government dealing with national highways alongwith complete copy of the estimate so that even after sanction, they could examine the matter and bring to the notice of executive agency deviations from such Code, specifications, instructions, guidelines, standard bridge designs, if any.

(ii) Where for any work, deviations from approved standards, specifications, instructions, guide-lines issued by the Central Government have to be made due to local conditions, no work shall be sanctioned by any executive agency unless a complete copy of the estimate is furnished to the Regional Officer concerned of the Ministry in the

Central Government dealing with national highways and his approval has been obtained in accordance with the general instructions issued by them from time to time governing the disposal of such cases. A brief mention of these deviations shall also be made by the executive agency in the abstract estimates to be sent to the Central Government quoting the reference of approval of the Regional Officer concerned.

(iii) In all other cases where proposed deviations do not fit in with the general instructions issued by the Central Government or are not necessitated due to local conditions, technical and financial sanction thereto may be accorded by the executive agency with the prior approval of the Central Government on a reference being made in this behalf alongwith a copy of the detailed estimate through the Regional Officer of the Ministry of Central Government dealing with the national highways who shall forward the same to the Central Government with his comments thereon.

(iv) After the budget estimates have been accepted by the Central Government, the funds likely to be available for the work shall be intimated to the executive agency concerned. Workwise allotment of funds shall be made by the Central Government and the same shall also be communicated to the executive agency concerned for further necessary action as soon as the budget is passed by the Parliament. Sanction for entering into financial commitments may be accorded by the executive agency only after the budget is passed by the Parliament and the same is intimated to the executive agency. All other actions including technical sanction to the project, calling and receipt of tenders, negotiation for their settlement, etc., may, however, be taken by the executive agency as soon as the acceptance of the budget estimate by the Central Government has been intimated to it."

[No. F. PL-30(193)/71]

Sd/-

J. S. MARYA,

*Director General (Road Development) and*

*Additional Secretary.*

*ANNEXURE II*

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT

(ROADS WING)

Telegrams
*ROADIND*

TRANSPORT BHAVAN
1, Parliament Street.

No. PL-30(193)/71

New Delhi the 5th Jan. 1977.

To

All State Governments and Admn. of Union Territories,
(Departments. dealing with National Highways).

SUBJECT.—*Delegation of Powers to States to sanction detailed plans and estimates in respect of National Highway (Original) works.*

Sir,

I am directed to say that, as the State Govts. are aware, under the Constitution, National Highways are a Central subject and the Govt. of India are primarily responsible for their development and maintenance. However, the actual execution is being carried out by the State P.W.Ds. on an agency basis for the Govt. of India on the basis of technical approval and financial sanction accorded by this Ministry to detailed plans and estimates in pursuance of the rules contained in this Ministry's notification No. SRO-1131, dated the 4th April, 1957. There has, however, been a demand for sometime past for delegating powers to State P.W.Ds. for according technical approval and financial sanction to expedite the progress on works programmes. The Govt. of India have considered the matter carefully and are pleased to agree to delegate powers to the State P.W.Ds to accord technical approval and financial sanction to detailed plans and estimates for National Highway (Original) Works costing upto and including Rs. 10 lakhs subject to the conditions indicated in the schedule to this Ministry's notification No. SO 680(E) dated the 15th October, 1976. A copy of this notification is enclosed. This notification was published in the Gazette (Extraordinary) dated 18th October, 1976 and also incorporates certain other connected amendments in the earlier National High-

way Rules. Further necessary action may kindly be taken in the light of the enclosed notification.

Yours faithfully,
Sd/- R. C. JAIN,

*Under Secretary to the Govt. of India.*

Encl: As above.

Copy with two spare copies forwarded to:

1. The Finance Division (Shri S. P. Mahna), Transport Wing, New Delhi.
2. The Ministry of Law, Legislative Department, (Shri P. J. Menon, Deputy Legislative Council), New Delhi. Their U.O. No. 5833|26-SRO, dated 14th September, 1976 refers.
3. The Comptroller & Auditor General (Shri J. S. Bhagat, Administrative Officer, TA-II, with reference to corresponding resting with their U.O. No. 747-TA-II|82-73, dated 26th June, 1976, refers.

Sd/- R. C. JAIN,

*Under Secretary to the Govt. of India.*

Encl: As above.

Copy with a copy of the enclosure forwarded to:

1. The Ministry of Finance (T&P Division), New Delhi.
2. The Ministry of Law.
3. The Comptroller & Auditor General, New Delhi.
4. The Controller of Accounts, Ministry of Shipping and Transport, IDA Building, Jamnagar House, New Delhi.
5. All Accountants General.
6. All State Chief Engineers/Principal Engineers (dealing with National Highways).

Sd/- R. C. JAIN,

*Under Secretary to the Govt. of India.*

Encl: As above.

Copy with enclosures forwarded to:

1. Addl. Director General (Bridges).
2. All Chief Engineers.
3. All Superintending Engineer.

4. All Executive Engineer.
5. All Regional Officers.
6. All Engineer Liaison Officers.
7. All Works Sections.
8. US(NH)A, US(NH)B.

Sd/- R. C. JAIN,

*Under Secretary to the Govt. of India.*

Encl: As above.

*ANNEXURE III*

GOVERNMENT OF INDIA

(BHARAT SARKAR)

MINISTRY OF SHIPPING AND TRANSPORT

(NAUVAHAN AUR PARIVAHAN MANTRALAYA)

(ROADS WING)/(SARAK PAKSHA)

Grams: "Roadind"

Transport Bhavan,
No. 1, Parliament Street.

No. PL-30(62)|76

New Delhi-110001, dt. 26th June, 1976.

All State Governments & Union Territories except Arunachal Pradesh, Mizoram, Pondicherry, Dadra and Nagar Haveli and Andamand and Nicobar Islands (Departments dealing with National Highways).

SUBJECT.—*Tenders for Road and Bridge Works on National Highways.*

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Sir,

I am directed to invite a reference to this Ministry's letter No. PL-30(110)|74, dated 25th September, 1974, wherein the Accountant General or the Comptroller concerned was empowered to pass, without the requirement of the State Government obtaining Central Govt's approval to a revised estimate for a National Highway work, excess subject to certain conditions, upto 15 per cent of sanctioned estimate or Rs. 1 crore whichever is less. Earlier, in their letter No. NH III-33(108)/72, dated 28th March, 1973, this Ministry had laid down detailed procedure for handling tenders. According to that procedure where the cost of a work based on acceptable tenders exceeded or was likely to exceed its originally

sanctioned estimate beyond the permissible limit of excess, prior approval of the Govt. of India was to be obtained before the acceptance of such tenders. The State Government have, however, been pointing out that considerable time elapses between the sanction of an estimate and the actual commencement of the work and, as a result, by the time a work actually goes on the ground, the tender cost is generally quite in excess of the sanctioned estimate even beyond the aforesaid permissible limit and tenders are, therefore, required to be submitted to the Govt. of India for their approval. In order to expedite the disposal of tenders, suggestions have been made to this Ministry by State Chief Engineers from time to time for making a provision for escalation of cost in the estimate. This matter also came up for discussions at the last meeting of the Chief Engineers held at Hyderabad on 6th January, 1976, when some of the State Chief Engineers pointed out that in their States, for the road works, tenders were being examined and settled with reference to the current schedule of rates instead of sanctioned estimate and they suggested that if such a procedure were followed for National Highways also, references about tenders in many cases to the Roads Wing might not be necessary and those could be settled at the State level itself.

2. This matter has been examined, further and in the circumstances, explained above, it has been decided that, hereafter, the State Government may, themselves, accept tenders, if the excess over sanctioned estimate does not go beyond the value determined on the basis of current schedule of rates by 15 per cent, subject to the following conditions and also duly complying with the technical requirements specified in paras 1(ii) (last sentence), 1(iii), 2 & 3 of this Ministry's letter No. NH III-33(108)/72, dated 28th March, 1973 (copy enclosed for ready reference);

(i) These powers are to be exercised by the State Government, themselves, who, if they so desire, may also delegate these powers to officers not below the rank of the Chief Engineer under intimation to this Ministry;

(ii) Tenders are called properly after due wide publicity providing for a healthy competition among the contractors and rates are considered duly competitive, reasonable and justified; and

(iii) After the tenders have been accepted by the State Government, the revised estimates should be sent to the Government of India for their sanction within one

month of the acceptance of the tenders, this time limit being extended up to 2 months in unavoidable cases, but in any case not beyond that. A copy of the approved current schedule of rates should accompany the revised estimate, invariably.

In this connection, it has to be realised that the State Accountant General will be able to admit expenditure beyond the permissible limit of excess over the sanctioned estimate as so far earlier prescribed only after the sanction for the revised estimate for the job is accorded by this Ministry and also conveyed to the State Accountant General. Therefore, in the interest of smooth pursuit of execution of the works, forwarding of Revised Estimate and getting it sanctioned by the Ministry is of paramount importance and is strongly emphasised.

3. I am to add that simultaneously, with the exercising of the power referred to in the preceding para, the State will kindly in each case, send an intimation to this Ministry, with copy to the Regional Officer concerned of this Ministry, duly stating particulars of tenders accepted and certifying that the conditions stipulated at (i) and (ii) above had been satisfied. Further, the State will kindly also devote attention to see that the contracting industry in the State is in a healthy condition and if this is not so, steps would be taken by the State Government to strengthen the contracting industry and also, as an alternative measure, to set up Departmental Construction Units/Corporations, as necessary.

4. I am further to add that if the tender rates in any case exceed the current schedule of rates beyond the permissible limit of 15 per cent, the tenders should be submitted to the Govt. of India for their prior approval.

5. I am to request that this may be brought to the notice of all concerned for necessary action with the clear instructions that all concerned should ensure that the revised estimates are submitted within one month of the acceptance of tenders, this time limit being extended in totally unavoidable cases, up to 2 months, but in no case, beyond that.

Yours faithfully,

Sd/- R. C. JAIN,

*Under Secretary to the Govt. of India.*

Copy forwarded for information and necessary action:

All Chief Engineers (Dealing with National Highways) in States and Union Territories (except Arunachal Pradesh, Mizoram, Pondicherry, Dadra & Nagar Haveli and Andaman & Nicobar Islands).

Sd/- R. C. JAIN,
*Under Secretary to the Govt. of India.*

Encl: Nil.

Copy forwarded for information to:—

1. Financial Adviser, (Shri A. B. Datar), Finance Division, Transport Wing, New Delhi, with reference to Finance Division U.O. No. 2060-TFS II/1976, dated 25-6-1976.
2. All Accountants General/Accountant General, Commerce, Works & Miscellaneous, New Delhi.
3. All Regional Officers and Engineer Liaison Officers.
4. All Technical Officers and Secretariat Branch Officers, Sectt. Sections in the Roads Wing.

Sd/- R. C. JAIN,
*Under Secretary to the Govt. of India.*

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT
(ROADS WING)

TELEGRAMS
"ROADIND"

TRANSPORT BHAVAN
1, Parliament Street

No. NHIII-33(108)|72

*New Delhi the 28th March, 1973*

To

All State Governments
and Union Territories.

SUBJECT.—*Tenders for road and bridge works financed entirely by the Central Government funds.*

Sir,

I am directed to invite your attention to this Ministry's letters Nos. WI-43(9)|65, dated the 9th June, 1965 and NHI-41(14)|68, dated the 4th September, 1968 (copies enclosed for ready reference), and

the procedure laid down therein in regard to the acceptance of tenders for road and bridge works financed entirely out of Central Government funds, which is now clarified as follows:—

(i) Tenders for such works can be finalised by the State Government concerned only after the requisite technical approval and financial sanction have been accorded by the Government of India.

(ii) In case the revised cost of work based on an acceptable tender exceeds or is likely to exceed its original sanctioned estimated cost beyond the permissible limit (in which, according to the latest instructions contained in this M nistry's circular letter No. NHI-40(10)/70, dated the 2nd July, 1971, is 10 per cent or Rs. 2.5 lakhs, whichever is less), prior approval of Government of India should be sought and obtained before the acceptance of such tenders. while making a reference to the Government of India in such cases, it should be accompanied by all the tender documents, including alternative designs received with any of the tenders and definite recommendations of the State Government while doing so, for tenders involving material deviation from approved designs and|or specifications, for the work, the reference to the Government of India should also be accompanied by plans and designs with relevant details and conditions stipulated, if any along with detailed comments thereon by the State Governments|Chief Engineer.

(iii) If the amount of an acceptable cost of the work based on that tender remains within the sanctioned amount plus the permissible excess [as mentioned in para (i) above], and if there is no material deviation in design and|or specification for the work from those technically aproved, the State Government may dispose of such tenders without any reference to Government of India. However, in such cases where there are any material deviations in design and|or specification from those technically approved earlier by Government of India, a reference should be made by the State Government for obtaining the prior technical approval of the Government of India to the deviation(s) involved, before accepting such a tender. Such a reference to Government of India should be accompanied by plans, designs and relevant details of the acceptable tender, and a certificate from the State Chief Engineer/

State Government to the effect that the acceptance of the deviation and|or revised design of the tender under consideration for acceptance, will not entail any excess over the sanctioned cost plus the permissible excess, in view of any conditions included in the tender which should be carefully examined by the State Chief Engineer|Government. There is no need to forward the other general conditions of the tender to Government of India.

2. It has now been decided that while making a reference to Government of India in accordance with sub-paras (ii) and (iii) of para 1 above, it is not necessary to forward to the Government of India, the tender papers received by the State Government in original but it would be quite sufficient if certified copies of all those tender papers received are forwarded to the Government of India. Besides, these a comparative statement, giving the assessment of the various tenders received for the work together with the firm recommendation by the State Government for the award of work may also be forwarded invariably along with all such tender cases.

3. It is also reiterated that while making a reference to the Government of India regarding approval for acceptance of tenders in the aforementioned cases, the position that may have resulted from previous tender calls, if any, along with comparative statements, the State Government's assessment and action if any, taken by the State Governments|State Chief Engineers with reasons therefor should also be invariably intimated.

4. The permissible excess of 10 per cent of Rs. 2.5 lakhs mentioned in para 1 (ii) above, is limited to cases as defined in circular letter No. NHI-40 (10) |70, dated the 20th July, 1971.

5. Immediately after obtaining the approval of the Government of India for cases mentioned in para 1(ii) above, a revised estimate should be prepared based on the accepted tender and forwarded to the Government of India in the prescribed form for obtaining revised financial sanction for the work.

Yours faithfully,

Sd|- A. R. BANERJEE,

*Under Secretary to the Govt. of India.*

**Encl: As above**

**Copy to all State Chief Engineers|Additional Chief Engineers dealing with Roads for information and necessary action.**

2. All Regional Superintending Engineers|Engineer Liaison Offices of this Ministry outside the Headquarters.

3. All Technical Officers and Works Sections of this Ministry at Headquarters (including 'SR' Section).

Sd|- A. R. BANERJEE,,

*Under Secretary to the Govt. of India.*

Encl: Nil.

Copy of letter No. WI-43(9)|65, dated the 9th June, 1965 from Shri Raghuraj Singh, Under Secretary to the Government of India, Ministry of Shipping and Transport (Roads Wing), New Delhi to all State Governments (Departments dealing with National Highways) except Tripura and Andaman and Nicobar Islands.

SUBJECT.—*Acceptance for tenders for road and bridge works financed entirely out of Central Government funds.*

I am directed to invite attention to the procedure that has been laid down with regard to obtaining the prior approval of the Government of India before acceptance of the tenders of National Highway works as well as those for which the entire expenditure is met by the Central Government such as, Lateral Road West Coast Road, etc. According to this procedure tender for such works can be finalised by the State Government concerned, only after the technical approval and financial sanction for these works is accorded by the Government of India. In case the cost of acceptable tenders for works is more than their sanctioned cost beyond the permissible limits, reference has to be made by the State Governments concerned to the Government of India for obtaining their approval before such tenders are accepted. But even if the tendered amount is within the figure financially sanctioned, a reference to the Government of India will be necessary, in case there has been a material deviation from the technically approved designs and|or specifications of the works. Instances have come to notice where the State Government have not sought the approval of the Government of India to deviation to observe, is not correct. The technical approval of such works being the responsibility of the Government of India it follows that if there has been any change in the design or specifications of a work while finalising a tender, their technical approval is necessary before the new designs and specifications are implemented in the execution of a work.

2. I am, threfore, to request that in future all such cases of road and bridge works where design or specifications are to be changed

while finalising the tender for a work, prior approval of this Ministry should invariably be obtained.

Copy of letter No. NHI-41(14)|68, dated the 4th September, 1968 from Shri Vinay Dutt, Under Secretary to the Government of India, Ministry of Shipping and Transport (Roads Wing) New Delhi to all State Governments etc. etc.

SUBJECT.—*Tenders for road and bridge works financed entirely out of Central Government funds.*

I am directed to refer to this Ministry's letter No. WI-43(9)|65, dated the 9th June, 1965, wherein it was requested that in all cases of road and bridge works where the design or specifications are to be changed while finalising the tender for the work, the prior approval of this Ministry should invariably be obtained. It has been observed that whenever such cases are referred to this Ministry, complete tender documents are sent with comments on the conditions, etc. attached by the tenderers.

2. I am to explain that in those cases where the tender cost is equal to or less than the sanctioned cost of the work, but there has been material deviation from the technically approved design and or specifications, only the plans and designs with relevant details should be sent to this Ministry for technical approval. The other conditions attached to the tender need not be referred to this Ministry but they should be examined by the State Chief Engineer and appropriate decisions taken in accordance with the codal rules laid down in the State regulating decisions and disposals of tenders, by him or the State Government as the case may be. When such plans and designs are sent to this Ministry, they should be accompanied by a certificate from the State Chief Engineer|State Government to the effect that acceptance of the deviations and|or revised designs proposed by the tenderers and recommended by the State will not involve any excess over the sanctioned cost as a result of any conditions included in the tender. Only in those cases where the amount of the acceptable tender exceeds the permissible limit over the sanctioned cost of the work, should all the tenders be sent to this Ministry for considration and decision.

3. It is requested that the above mentioned procedure should be followed invariably in future.

Copy forwarded to all State Chief Engineers (except Tripura and Andaman and Nicobar Islands).

Copy to all Planning Officers|Engineer Liaison Officers.

Sd|- RAGHURAJ SINGH,
*Under Secretary to the Govt. of India.*

Encl: Nil.

*ANNEXURE—IV*

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT

(Roads wing)

No. PL-30(46)|68 *New Delhi-1, the 3rd August, 1968*

*OFFICE ORDER*

In supersession of all previous orders in the subject the technical officers posted at the Heaquarters in the Ministry of Transport and Shipping (RW) are delegated the following powers until further orders to accord in the name of the DG(RD) technical approval to detailed estimates for works upto the financial limits (including agency charges) as indicated below:

| S. No. | Designation of officers | Powers delegated |
|---|---|---|
| 1. | Executive Engineer (Roads/Bridges) (Mechanical) | Upto & including Rs. 1,co,cco/- |
| 2. | Superintending Engineer (Roads/Bridges/Mechanical) | Above Rs. 1 lakh & upto and including Rs. 10 lakhs. |
| 3. | Chief Engineer (Roads/Bridges/Mechanical) | Above Rs. 10 lakhs but below Rs. 50 lakhs. |
| 4. | Addl. Director General (Roads/Bridges) | Rs. 10 lakhs and upto and including Rs. 1·5 crore. |
| 5. | Director General (Road Development) | Above Rs. 1·5 crores. |

While exercising such powers the officers concerned are required to keep in view specially the following points:

(i) In cases where a work is not included in the approved programme or expenditure on which during the year cannot be met from within the sanctioned budget grant, the orders of the DG(RD) should invariably be taken before technical approval is accorded to such a work; and

(ii) In all matters involving policy questions, major difference with the State Government, doubts in regard to interpretation etc. the case will continue to be referred to the DG(RD), irrespective of the amount of the estimate.

All Projects costing Rs. 25 lakhs and above will continue to be submitted for the prior approval to the Dy. Minister|Minister before reference to the Ministry of Finance.

Sd|- K. RANGANATHAN,
*Dy. Secy. to the Govt. of India.*

Copy forwarded to:

1. All Officers in the Roads Wing.
2. All Sections in the Roads Wing.

Sd|- R. C. JAIN,
*Section Officer.*

*ANNEXURE—V*

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT

(Transport Wing)

No. 1-IF(3)|74 *New Delhi-1, the July* 12, 1974.

*OFFICE MEMORANDUM*

SUBJECT.—*Delegation of powers in respect of estimates relating to Road Works.*

The undersigned is directed to say that it has been decided that the concurrence of the Ministry of Finance would be necessary in respect of estimates relating to road works only where the cost of such works exceeds the sum of Rs. 25 lakhs This is in supersession of Ministry of Finance O.M. No. 9(18)AFSII'69, dated 23-3-1971.

2. This issues with the concurrence of the Ministry of Finance *vide* their U.O. No. 1670|TFSII|74, dated 22-6-1974.

Sd|- N. GOPALAKRISHNAN,
Dy. *Secy. to the Govt. of India.*

(1) The Ministry of Finance (Department of Expenditures and Coordination and TFS I and II Sections.

(2) DG(RD) and Addl. Secretary—with 20 spare copies.

(3) Estt. and IWSU Sections.

(4) DS(IF)|US(IF)|AO(IF).

**Recommendation**

The Committee have elsewhere in the Report dealt with the question of over-centralisation in the Roads Wing at New Delhi. They have also given recommendations that the regional offices need to be strengthened by suitably re-deplying the strength available at the Head Office. The Committee would like the Government to see that there is regular institutional arrangement for exchange of officers at various levels between the headquarters and the regional offices so as to make for continuous flow of experience from the field into the apex body and *vice-versa*.

The Committee would like to be informed of the detailed institutional arrangements which are made in pursuance of the aforementioned recommendations.

[S. No. 85 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Roads Wing being an organisation not in charge of execution but charged with planning of National Highways, technical scrutiny and clearance of projects, evolution of standards and specifications, preparation of important designs, monitoring and research coordination, it is appropriate to have more officers at the headquarters. However, Regional Offices have also been strengthened recently with the opening of 3 more offices at Gauhati, Chandigarh and Madras bringing the total number of Regional Offices to 9 to ensure closer association with the State P.W.D. Officers to oversee the centrally sponsored works. Thus placement of officers in the headquarters office and in field offices has been most appropriately done in keeping with the requirements as per above described functions and responsibilities. There are in all 137 Group 'A' Officers in the head office and 70 in the field offices. The object of continuous flow of experience from the field into the apex body and *vice versa* is achieved by transfer of officers from headquarters to the Regional Offices and *vice versa*. Further, the officers from headquarters are also frequently sent on tours to their respective States to oversee the execution of works in the field.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1) 78-Vol. II, dated 17-7-78]

**Recommendation**

The Committee are concerned to note from the Comptroller and Auditor General's Reports for the year 1973-74 that in some State

Laboratories no research is being undertaken on matters connected with traffic and highway engineering and instead, the whole provision is being spent on routine soil testing, etc. In order that the performance of the Laboratories is result-oriented and not merely routine, the Committee suggest that a reasonable percentage of the funds allotted to the laboratories may be earmarked to be spent on matters connected with traffic and highway engineering so as to effect economy, improve riding quality and enhance durability of the road works. The Committee need hardly emphasise that there should be close and integrated relationship between the research laboratory and the Quality Control Units so as to ensure complete flow of guidance from the laboratory and feed-back by the Quality Control Units, based on field experience.

[Sl. No. 89 (Para No. 6.29) of Appendix XIV of 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The scope of testing laboratory was initially limited to routine tests for local soil, locally available materials, effecting quality control etc. The funds sanctioned for setting up of laboratories have been basically for purchase of equipment, furniture and for capital cost of building etc. The State Govt. is required to meet the recurring expenditure towards staff etc. While it may not be feasible to specifically earmark funds for being spent for research purposes, the scheme already framed for further augmentation of laboratory facilities in the States (referred to in Action taken note relating to para 6.28) above) took into account the procurement of such equipment that would promote taking up research activities and adoption of new techniques depending upon the staff capabilities. The need for proper organisational set up in the laboratories was stressed in the model scheme prepared by CRRI and has further been highlighted at various meetings and forums like the Chief Engineers meeting etc.

The Ministry has also launched a Research and Development Programme in the Central sector which is being implemented with active participation of the State P.W.Ds. and the C.R.R.I. Wherever adequate laboratory facilities have been created, they are being utilised by State P.W.Ds. for assisting research on approved schemes. For example, Highway Research Station, Tamil Nadu, Gujarat Engineering Research Institute, Vadodara and U.P., P.W.D. Research Institute, Lucknow are involved in our research projects. The matter was also considered at the last meeting of the Transport Development Council held on 24th September, 1977 when the States were

pressed for earmarking funds for road research and augmenting laboratory facilities in their State Plans.

The scheme for advanced training of laboratory engineers as discussed hereafter in reply to Para 6.31 has been prepared keeping in view the necessity for advancing research capabilities of laboratory engineers.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 26-6-78]

**Recommendations**

The Committee further note that it has been a policy now to allow 1 per cent extra for quality control in the works estimates for National Highways. In addition, a special provision for survey and investigation is also available to the State P.W.Ds. as part of agency charges to the extent of 1-3/4 per cent with extra provision of 1 per cent as field cost. The Committee consider that the special provision of 3-3/4 per cent of the estimates should enable the State P.W.D. authorities to ensure proper control over quality right from the stage of project investigation to execution. The Committee desire that the quality control measures and supervision at the State and Regional levels should be made effective and the Roads Wing should keep a close watch on the quality of road works executed by the State authorities on agency basis.

In regard to lack of control over technical aspect of execution of project, the Committee would like to emphasise that stricter check should be exercised both at the State and regional levels over the essential technical details and effective check should be exercised in the field to ensure quality control during execution.

[S. Nos. 94 & 97 (Paras 6.34 & 6.61) of Appendix XIV of 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

The P.A.C. may please refer to the Action Taken Notes to Paras 3.92, 2.90, 6.27 to 6.31, 2.110, 3.41, 4.30 4.31, 4.37 on the steps taken to improve the quality of the project (survey, investigations, designing, estimating etc.) and the quality of the works (both the processes and the end-product.).

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29-(1)/78-Vol. II, dated 16-9-78)]

**Recommendation**

The Committee are distressed to note that there have been major failures of control over technical aspects in the execution of many large National Highway works during the Fourth Plan. Lack of adequate supervision by the competent authorities had led to construction of several sub-standard roads as revealed in the Audit paragraphs. The Committee are unhappy that because of lapses, technical and administrative, not only has there been a colossal wastage of resources but also of huge capital outlays. For example, NH 6 and NH 2 by-pass in West Bengal completed in 1967 started showing signs of extensive failure and heavy distress and as a result thereof repair estimates totalling Rs. 119.61 and Rs. 156.97 lakhs for NH 2 and NH 6 respectively had to be sanctioned in November 1973. Upto 31st March, 1976 rehabilitation works of about Rs. 64 lakhs and Rs. 18 lakhs had been completed on NH 2 by-pass and NH 6 respectively. As suggested by the Ministry, the State Government have appointed a Committee in December 1975 to enquire into the matter. Similarly, a stretch of 12 km. of NH 33 over the Ranchi-Baharagora Section in Bihar failed in 1968 although it had been constructed at a cost of over Rs. 5 lakhs per km. in 1965. Upto 1968-69 the expenditure incurred on the maintenance of the Ranchi-Baharagora Section of NH 33 was Rs. 12 lakhs. The flood damage repair work in January 1969 was completed at a cost of about Rs. 12.86 lakhs. The State Government had appointed a Committee in September 1968 to investigate the reasons for the failure of the road. It is surprising that the Ministry of Transport (Roads Wing) became aware of the Committee only after a lapse of 6 years in 1974 and then at the instance of Union Ministry a proper Technical Enquiry Committee was appointed by the State Government in December 1975 in which the representatives of the Ministry and of the Central Road Research Institute were associated. This situation reveals the ineffectiveness of the watch kept by the Roads Wing of the Ministry and their Regional Offices over the State of the work. The Committee suggest that suitable instructions may be laid down that in all Enquiry Committees constituted to look into deficiencies or serious irregularities in connection with the National Highways, the Central Road Research Institute is invariably associated and the Roads Wing of the Union Ministry and the Regional Office kept concurrently informed It should also be incumbent on the Roads Wing to keep a close watch on the progress made by the Enquiry Committee to ensure timely and conclusive follow-up action.

[S. No. 96 Para 6.60 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The suggestion of the Public Accounts Committee has been noted. A circular letter to the State Governments may not be needed as on a major failure on a new construction or improvement work on an National Highway, investigation|enquiry is initiated by the State Government and/or this Ministry in joint consultation and the CRRI is often associated either with the investigation or with the enquiry or with both. As stated above the State Governments and this Ministry had been associating the CRRI in the above kind of requirements and as per the suggestions of the Public Accounts Committee this Institution's association with any such investigation-requirement shall be duly arranged in consultation with the State Governments, the executive agencies. This Ministry has been endeavouring and will continue to endevour that the enquiries and follow-up actions are completed early.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated, the 19-6-78)]

**Recommendation**

The Committee have dealt at length with the delays and deficiencies in the execution of projects elsewhere in their report but would like to emphasise here that systematic analysis should be made of reasons for serious deficiencies creeping into projects at various stages in the interest of taking timely remedial measures to obviate their recurrence.

[S. No. 98 (Para 6.62) of Appendix XIV of 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

The P.A.C. may please refer to the Action Taken Notes to Paras 2.102, 2.103, 2.106, 2.108, 3.92 and 4.40 on the studies made to identify the bottlenecks and on the measures devised for expeditious completion of the Central Sector road and bridge works.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated, the 16-8-78)]

**Recommendation**

The Committee are further distressed to note from the Audit Paragraph that to meet additional requirements during the Fourth Plan, the Ministry had purchased tools and plans worth Rs. 391.39 lakhs but because of imbalance in the actual supplies of the equip-

ment and the timing of the supplies, some of the items could hardly be used on road works in the Fourth Plan.

[S. N. 100 para 7.46 of Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

To meet the additional requirements of machinery during 4th Plan, the Ministry's purchase was restricted to only Hot Mix Plants, Pavers and Tippers which were needed urgently to ensure the desired quality of works. The actual purchase during the 4th Plan, on the basis of the supply made, was about Rs. 2.25 crores and not Rs. 3.91 crores as indicated in the recommendation.

It is true that there was some delay on the part of supplier to effect supplies and the main difficulties expressed by them were power cut, difficulty to obtain steel, diesel engines and other materials, labour troubles etc. A number of extensions to the delivery period had, therefore, to be given by DGS&D, the Central Purchase Organisation who arrange the procurement on behalf of this Ministry, since the machinery was still needed in the States for execution of central works. In spite of best efforts on the part of the Ministry and DGS&D, considerable delay occurred in effecting the supply, resulting in inability to use them in the 4th Plan. However, this delay did not affect the progress of the Fourth Plan works appreciably, as the works had also slowed down due to financial stringency. Further works sanctioned in the Fourth Plan spilled over to the 5th Plan and these equipments were required and utilised on those works.

DGS&D, Central Purchase Organisation have their own procedure to be follower and indigenous manufacturers had only then started large scale manufacture of Bituminous Equipments in accordance with rigid specifications indicated by the Ministry and could not adhere to scheduled supply due to various difficulties. Therefore, the delay in supply could be considered as unavoidable. Since Ministry has a large volume of sanctioned and anticipated VI Plan bituminous pavement construction works even now for strengthening of National Highways, the additional bituminous pavement construction equipment procured would be fully utilised. While the cost of procurement of a Hot Mix Plant 20/30 TPH capacity in 1973 was about Rs. 6 lakhs, the present day cost of the same is nearly double and of the order of about Rs. 10-12 lakhs.

[Ministry of Shipping & Transport (Roads Wing) O. M. No. B-29(1)/78 dated 7-6-78]

**Recommendation**

A proposal for grant of loan assistance to 12 States, *viz.* Himichal Pradesh, Andhra Pradesh, Punjab, Tamil Nadu, Kerala, Maharashtra, Uttar Pradesh, Madhya Pradesh, Karnataka, Haryana, Orissa and Rajasthan was also approved by the Ministry of Finance in January, 1972 for the purchase of machinery. Against this proposal, a total loan of Rs. 788.54 lakhs was sanctioned for the years 1972-73 to 1975-76 and out of that a total of Rs. 377.254 lakhs was released to the States. The loans are released to the States in instalments after receiving the acceptance of the prescribed terms and conditions and after receipt of copies of purchase orders placed by them for the type and quantity of equipment approved by the Centre. What has surprised the Committee is that only 2 States, viz. Maharashtra and Haryana have been able to utilise fully the loan sanctioned to them. While some States have partially utilised the amounts, the States of Punjab and Uttar Pradesh have not utilised any amount so far out of Rs. 75 lakhs and Rs. 104.55 lakhs respectively sanctioned to them. The Committee are not aware of the basis on which these two States have been sanctioned loans, nor they have been informed about the reasons for non-utilisation of the loan assistance. Incidentally these States are already holding machinery worth Rs. 12.24 lakhs (Punjab) and Rs. 281.54 lakhs (U. P.) which had been rendered surplus on completion of Emergency Road works in Punjab and Lateral Road projects in Uttar Pradesh.

[Sl. No. 101 (Para 7.47) of Appendix XIV to 18th Report of the Public Accounts Committee 6th Lok Sabha)]

**Action Taken**

Against the total loan of Rs. 788.54 lakhs sanctioned to the 12 States as per assessment made in the Ministry in consultation with States, the amount released till 1976-77 is Rs. 466.841 lakhs Practically, the entire amount sanctioned to the States of Himachal Pradesh, Tamil Nadu, Maharashtra and Haryana have since been released. Considerable amount has also been released to all the other States except in the case of Uttar Pradesh. This State *i.e.* U.P. have also procured a number of equipments and requested for release of loan. In the meantime, it came to the notice of the Ministry that the State PWD had procured some similar machines for the execution of Central works and adjusted the cost of procurement against sanctioned works estimate.

As this is not quite appropriate and the States could have obtained sanction for loan from this Ministry in proper time the

State PWD had been requested to first withdraw the expenditure charged to the works estimate in the first instance and debit to the State account, before asking for the release of Central loan. The necessary action is being taken by the State PWD in this connection as seen from the correspondences received from the State. It is expected that the loan amount due to them will be released after suitable action is taken by the State P.W.D.

For Punjab against the sanction of Rs. 75 lakhs, Rs. 30.67 lakhs have been released so far. The States have sent further proposals but the same have not been found complete and in order for considering the release.

Incidentally it may be mentioned that all the States were requested not to place further orders against loan assistance due to financial stringency vide this Ministry's letter No. RM-1(2)/71 dated 18-3-74. This also proved to be a deterrent to the States to come up with proposals for further release of loan assistance. In fact, now, a number of States have come up with proposals for further loan assistance for procurement of machinery required during the current Five Year Plan in view of the large quantum of works being taken up in the States and the same are under examination. It may be mentioned that the earlier loan sanctioned as referred to in this reply had been for the requirement of works in the Fourth and Fifth Plans only.

[Ministry of Shipping & Transport (Roads Wing) O. M. No. B-29(1)/78-Vol. II, dated 19-7-78]

**Recommendation**

In this connection, the Committee would like to observe that immediately after receipt of Report of the Road Building Machinery Committee in 1970, *the Ministry should have initiated effective action to regulate new purchases and ensure further utilisation of machinery and equipment by better deployment within the State on Central works or by re-allocation to different States.*

[S. No. 102 (para 7.48) of Appendix XIV to 18th Report of the PAC (6th Lok Sabha)]

**Action Taken**

After the receipt of the Road Building Machinery Committee Report in 1970, Ministry had, gone in mainly for the procurement of certain bituminous Pavement Construction equipment like Hot Mix Plants, Pavers and Tippers which are essentially required for ensuring desired quality and speed of works.

The total assessment made by the Ministry for these equipments was compared with the demands received from the States and minimum essential requirement alone was procured after obtaining concurrence of the Ministry of Finance in January, 1972. Quantity of such plants procured for the earlier projects, their availability for further utilisation etc. were duly taken into account before projecting the additional demand to Finance. In 1973 when the financial constraints due to oil crisis, food imports etc. arose, the activity of road construction was slowed down. The position was therefore reviewed to assess the requirement of machinery and the demands were suitably curtailed.

Ministry had also taken a number of action to improve the utilisation of the machinery and equipment for better deployment within the States or for re-allocation to different States as detailed below:

(1) The States are preparing utilisation programme in advance for working out the requirement of machinery needed for execution of Central works during the forthcoming year. The surplus machinery on that basis is also indicated for re-allocation to other needy States. After obtaining this information, a number of transfer orders/ sale orders have been issued re-distributing the machinery against the demands received from the needy States.

(2) Powers have been delegated to the Regional Mechanical Officers of the Ministry for expediting the technical sanction of repair and maintenance estimates of machinery so that the machines are brought into working order expeditiously and utilised satisfactorily.

(3) Quarterly performance reports have been prescribed and submission expected from the States to the Ministry to watch the actual extent of utilisation so that Ministry can suggest remedial action to improve the utilisation.

(4) The workshop facilities are being augmented for ensuring timely and satisfactory repairs.

(1) Periodical meetings are being held with the State Chief Engineers and other officials in the Ministry and in the State headquarters during tours, on all aspects concern-

ing utilisation and follow up action is taken to improve matters.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated the 19-7-1978]

**Recommendation**

The Committee note from the Audit para that the maintenance of the machinery by the States was not satisfactory as they did not have the special facilities by way of workshops for servicing and maintenance of the sophisticated machinery during the Fourth Plan. The representative of the Ministry has also conceded during evidence that many states are still deficient of this facility. It is rather disturbing to note that despite negotiations going on with the States since 1962 no concrete steps have been taken to augment the workshop facility in the States where the machinery rendered surplus from the initial special projects is to be transferred for execution of the national highways. It is only now that a proposal for an amount of Rs. 182.00 lakhs has been sent to the Ministry of Finance for concurrence of procurement of 20 mobile workshops, 6 central workshops and 9 division workshops to take care of the machinery repairs etc., ownership of which vests or would continue to vest with the Central Ministry. Another proposal for giving another loan to the States to the tune of Rs. 60 lakhs for the establishment of new workshops to take care of machinery repairs, ownership of which vests with the State PWD but used on central works is also before the Ministry of Finance. The Committee would like the Ministry to pursue these matters with the Ministry of Finance for early sanction so that the workshops are set up in respective states by the time the machinery is allocated to the.

[S. No. 106, Para 7.52 of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

R.B.M.C. in para 4.5.27 of their report have indicated that workshop facilities provided for execution of earlier projects like IDA, LRP and S.R. Works etc., were adequate. Even now bulk of Central machinery are located in these States. They have only pointed out that these facilities could not be put to effective use by State P.W.Ds. due to various reasons, like late setting up of workshops, lack of trained staff for operation of workshop machines and lack of proper guidance etc.

We have already requested States to shift these workshops after the completion of the projects to places on National Highways where there is concentration of machinery. The necessity for additional workshops has further arisen because some machinery has now been distributed through out the country, and a fleet of bituminous pavement construction equipments have been added subsequently. For this purpose, Ministry has finalised the proposals for procurement of 20 more Mobile Workshops, 6 Central and 9 Divisional workshops, and the same have been approved in principle by the Finance as well as Expenditure Finance Committee. While 20 mobile workshops were sanctioned straightway by them the sanction for Central/Divisional workshops will be issued after supplying information regarding the location etc. for which the matter has been taken up with States.

The Second proposal regarding sanction of loan to the tune of Rs. 60 lakhs to States for the establishment augmentation of workshops to take care of machinery repairs, the ownership of which rests with the State PWDs, but used on Central works was also forwarded to Ministry of Finance, who advised to delink that proposal from the main one for the present. Accordingly, the remaining proposal pertaining to procurement of mobile workshops, establishment of Central/Divisional workshops was processed further.

This has been vetted by the Audit.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated 18-12-1978]

**Recommendation**

The Committee are perturbed to note from the finding of the Road Building Machinery Committee (1970) that the utilization of the imported and the major items of machinery had not exceeded 40 per cent (often it was 10 to 20 per cent) of the available working hours. In some cases, the machinery could not be put to proper use because of:

(i) Arrival of the machinery late after the work had been completed;

(ii) State Governments being unable to use the machinery allotted due to special site conditions for which the imported machinery were not suited;

(iii) lack of skilled operators, and know-how for operation;

(iv) lack of trained technicians for maintenance and repairs; and

(v) non-availability of spares in time.

[Sl. No. 112 (para 7.58) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The percentage of utilization was worked out by RBMC. on the basis of 2000 working hours per year as indicated at p. 4.4.11 of RBMC. Report. That Committee has, however, finally recommended that for practical purpose, it is considered reasonable to adopt 1500 working hours only per year in road building projects, and if some machines have to work only for less than 8 hours in a shift or less than 200 working days, due to valid reasons, the working hours per annum will be much less. If the percentage utilization is worked as per recommendation of RBMC, the position would appear to be better.

(i) Previously, the machinery arrived late due to delay in getting them imported from foreign countries. Now-a-days almost all the items of road making machinery are manufactured indigenously. Still, in the recent procurement of bituminous pavement construction equipments, it was noticed that indigenous suppliers also take considerable time and fail to supply the same within original delivery schedule in spite of close persuation by DGS&D, the Central purchase organisation who place orders on account of the Ministry. This is due to a number of reasons such as shortage of steel, engines and other materials, lack of uninterrupted power supply, labour trouble etc. It may, however, be mentioned that even if the machinery arrived late and were not available for use in particular works for which it was ordered, the utilisation is not allowed to suffer, as these equipments are utilised for the subsequent works. Construction, development and maintenance of N.Hs. is a continuous process and there are no dearth of works where these machines could be utilized subsequently. As such, even if the machinery arrived late and could not be utilized in a particular work, they are often utilised in the other subsequent on-going works.

(ii) The unsuitability of some equipments imported due to special site conditions, has been mentioned in para 4.5.4. of RBMC report and this includes motorised scrappers obtained from USSR the vibratory roller, the mechanical brooms and 3 cylinders Agrind Moore roller. But no report appears to have been received in the Ministry from any of the States to whom such machinery was given,

indicating that they are not fit to be utilised on N.Hs. and other Central projects. The position in brief is as follows:—

The USSR scrappers have actually been used in the States of U.P., Bihar, etc. to a considerable extent. The vibratory roller and mechanical brooms are special purpose equipments for use on typical jobs, such as compaction of sandy stretches or sweeping of the WBM surface before applying tack coat. The States have been requested to utilise these equipments, whenever such jobs are taken up. The equipments also could be slightly modified for more efficient use. The question regarding the unsatisfactory performance of A.M. Road Roller fitted with three cylinder engines is already under consideration of DGS&D, the Central Purchase Organisation. The suppliers have gone into liquidation but some amount has been kept as deposit by DGS&D. These rollers are, however, being utilised by the States by suitably attending to the fuel pumps etc.

Now that all the types of road making machinery are being manufactured indigenously, and the indents for procurement of machinery are being placed only for the machinery which are suitable to the conditions prevailing in the country, this sort of situation is not likely to happen. Indents are also being prepared for equipments with specifications generally conforming to ISS wherever available.

(iii) & (iv) The State PWDs have already been requested to arrange training facilities for operators and technicians so that adequate experienced technical staff are available for upkeep of Central machinery. They have also been requested to recruit experienced staff for manning Central machinery from the surplus declared in Beas Sutlej Link Project and other irrigation projects. Suitable pay ranges to attract experienced personnel from these projects were finalised in the Group of State Chief Engineers meeting held in November 1975 and were recommended to the States for adoption.

(v) It was pointed out in the Memoranda for the meeting of the Chief Engineers to be held at Jaipur sent to them vide this Ministry's letter No. PL-2(17)/64 dated 28th November, 1964 that the experience has shown that many a time machinery remains idle for long periods for want of spare parts. Storing of essential spare parts will considerably help in reducing this idle period. Subsequently, guidelines have already been issued vide Ministry's letter No. RM-3(51)/70 dated 19-1-1971 to State PWDs for procurement of spare parts and keeping them in stock so that they are available as and when required for timely repairs and maintenance.

Besides the above, States have been requested to take various steps to improve utilisation as detailed below:

(a) Preparation of Annual Utilisation Programme.

(b) Preparation of surplus list for arranging rational redistribution of the surplus machines.

(c) Expediting repairs of break down machines, by getting sanction of repair|maintenance estimate from Ministry| Ministry's regional Office and getting release of funds from M&R Grant of machinery.

(d) Ministry has finalised proposal for augmentation of workshop facilities.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)|78, dated 19-7-1978]

**Recommendation**

The Committee further note that in order to have continuous record of the performance of the Central machinery in the headquarters, the States are required to submit from 1972-73 onwards a Quarterly performance report indicating the number of hours the equipment has worked, remained idle or under breakdown etc. The Committee find that whereas all the 8 States concerned had furnished reports for all the 4 quarters during 1974-75, the position had deteriorated in 1975-76 as only 2 States, viz., Haryana, and Punjab, submitted these reports for the whole year. *The Committee would desire the Ministry to ensure that these quarterly reports are received regularly and in time from all the States so that on the basis of particulars furnished therein the Index Cards now being maintained at the headquarters are kept up-to-date, all the time.*

[Sl. No. 115 (Para 7.61) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

Ministry has received the quarterly performance reports from 9 States in the year 1976-77 and from 6 States in the current year 1977-78. Most of the Central machines are concentrated in seven States, viz., Assam, West Bengal, Bihar, U.P., Orissa, Rajasthan, Gujarat. The remaining States have lesser than 100 Nos. each. The matter is being taken up even demi-officially at DG(RD)'s level to impress upon the States Governments for submission of quarterly performance report regularly and in time. The regional

S.Es. (Mech.) have also been requested to continue to pursue the matter with States under their jurisdiction and during the discussions with the State officials during tours and review meetings. The importance of submission of this report has time and again been discussed with the Chief Engineers individually during tours and in State Chief Engineers meetings held from time to time, besides correspondence at the level of D.G.(RD).

It is difficult to maintain index cards for all Central equipments numbering about 5600 in view of non-receipt of information from the States. However, a beginning for maintaining index cards for equipments like hot mix plants, pavers etc. has been made with the available organisation and gradual attempt will be made to make more and more index cards for the remaining ones. Considerable work is involved, but in view of the position stated above, efforts will be made to maintain index cards gradually.

[Min. of Shipping & Transport (Roads Wing), O.M. No. 29(1)/78-Vol. II, dated 19-7-1978]

**Recommendation**

The Committee note that at the instance of the Centre some States have augmented their mechanical set-up and at present the States of Assam, Bihar, Haryana, Madhya Pradesh, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal have superintending Engineers (Mech.) along with supporting staff. *The Committee desire that the remaining States should also fall in line with other States and have separate machanical set-up to ensure better utilisation of equipment.*

[Sl. No. 116 (Para 7.62) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The bulk of the Central machinery are in the States of Assam, Bihar, Gujarat, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal. All these States have created the post of Superintending Engineer (Mech.) along with supporting staff. Besides the above, Haryana PWD has also a full-fledged Superintending Engineer (Mechanical) looking after both Central and State machinery. As such, 11 States have since been covered. The Central machinery available in the remaining States do not at the moment necessitate taking up the States for the creation of the post of Superintending Engineer (Mechanical). The matter is, however, being reviewed from time to time during discussions with

the State Chief Engineers for creating suitable mechanical organisational set-up for the upkeep of Central machinery.

[Min. of Shipping & Transport (Roads Wing), O.M. No. B-29(1)|78-Vol. II, dated 19-7-1978]

**Recommendation**

The Committee are distressed to note that no serious attempts have been made so far by the Ministry to standardise equipments/machinery for road building as by and large they have been utilising the machinery imported during the 1962—66 for the initial projects. Since several States are now purchasing plant and machinery from indigenous sources in connection with the execution of the Cenral works, it is put proper that beg nning should be made in right earnest to standardise at least some of the items which are in common use in road building. The Committee would, therefore, recommend that a technical body with officers drawn from the Ministry(Roads Wing), Border Roads Organisation, DGTD, Indian Roads Congress, Public Sector Undertakings concerned etc. be set up to go into the question of standardisation of the machinery now in use in road building. The Committee would like the expert team to be appointed without further loss of time so that they may compile and evaluate the necessary data and give their considered recommendations by a specific date about standardising the important items of machinery and equipment in the interest of rationalising the production and maintenance programmes.

[Sl. No. 119 of (Para No. 7.65) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action taken**

A Committee of the Indian Roads Congress, namely, 'Highway Construction & Me hanisation Committee convened by this Ministry's Chief Engineer (Mechanical) has already gone into this question to a large extent. This Committee has already finalised two or three sizes for each item of Road Making Machinery generally needed for execution of road construction. Fixing similar sizes for bridge equipments have been taken in hand.

It may not be advisable to standardise the particular make for each type of equipment as improvement in the design and manufacture keep taking place from time to time. It is a continuous process based on the experience gained in its operation.

The prices of equipments vary from one model to another even for the same capacity equipment. Large scale production of equipments like hot mix plants, pavers, front end loaders etc. have been taken up by manufacturers only recently and a lot of improvement in the design and modifications on the basis of experience gained in the operation is still being done to improve the performance. It may be difficult to consider standardisation of any make of hot mix plant say 20-30 TPH, as on date none of the supply made has given satisfactory performance in the limited period they were used. The performance is still being watched. It is, therefore, felt that standardisation of make and model need not be considered at this stage.

Normally all the Central purchases are made through the forum of DGS&D, a Central purchase organisation and the indents are placed for equipments conforming to Indian Standards specifications. While finalising the purchase proposal for equipment the past performance, price, the population in the country, the defects/deficiencies reported by the field engineers, after-sale service and availability of spare parts from the suppliers are being considered, as a normal practice even now.

Since a beginning has already been made through the forum of Indian Roads Congress, perhaps another Technical Committee as proposed might not be essential. In this Committee, representatives of Border Roads Organisation, Central Water Commission, DGTD, Indian Standards Institute, State P.W.D.s and Central Road Research Institute are included. Manufacturers' representatives are also included in this Committee.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)'78-Vol. II, dated 19-7-1978.]

**Recommendation**

The Committee would like the Ministry to take appropriate measures in consultation with the Ministry of Industry, DGTD etc. to examine the feasibility of manufacturing indigenously such of the items of road building machinery and equipment which have to be imported at present in considerable number spending appreciable foreign exchange so that the country may attain self-reliance in this behalf at the earliest.

[Sl. No. 120 of (Para No. 7.66) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha).]

**Action taken**

Ministry is keeping in constant touch with the Ministry of Industry, D.G.T.D. regarding the adequacy or inadequacy of indegenous production capacity of road sector equipment. At present all the items of road making machinery except soil stabilisers and concrete pavement construction equipments are being indigenously produced, due to significant efforts made to achieve self-reliance by interchanging of views. The manufacture of the few items of equipments mentioned above, indigenously, have not been considered and taken up with DGTD since the demand for this is inadequate at the moment to justify regular production in the country. In addition, the performance of the bituminous pavement construction equipments recently purchased is also being watched closely and any defects/deficiencies in the performance is taken up with the manufacturers at the same time keeping DGTD and DGS & D closely in the picture.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II dated the 19-7-1978]

**Recommendation**

The Committee further note that as a result of efforts made by the Oil Companies within their concerned zones, the percentage of bulk supply of bitumen, within 250 kilometres from the Refineries, has risen from 42 per cent in 1972-73 to 63 per cent in 1975-76 only. Judging from the slow progress of the scheme, the Committee cannot but conclude that the Government have made no serious efforts to study and resolve the difficulties which stood in the way of the consuming units receiving their supplies of bulk bitumen. The Committee find that it was only after the matter was discussed by this Committee in evidence that the Oil Companies have been addressed on 7th September 1976 to make all-out efforts to increase the sale in the supply of bulk bitumen and to send Government a quarterly report indicating the progress made. The work of following-up action with the Oil Companies, the Department of Transport and State Governments for promoting the sale of bulk-bitumen is stated to have been entrusted to the Oil Coordination Committee. The Committee feel that had these steps been taken earlier, immediately on the receipt of the conversion committee, the results envisaged would have been achieved by now. The Committee hope that the Oil Coordination Committee would study the problem in depth and take effective measures to implement the scheme without loss of further time. The Committee suggest the precise progress

made in this behalf should be included in the Annual Report of the Ministry.

[S. No. 125 (Para 8.31) of Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

The reply received from the Ministry of Petroleum, Chemicals and Fertilizers (Deptt. of Petroleum) is reproduced below:—

The Government had directed the Oil Companies to make all-out efforts to increase the sale of bitumen in bulk and the Oil Coordination Committee (O. C. C.) was asked to coordinate and monitor the progress of sales of bulk bitumen by the oil companies. The O.C.C. had constituted a Working Group to set out the up-to-date position regarding bulk bitumen and suggest the course of action considered necessary to maximise bulk bitumen offtakes in the light of current developments.

2. The Working Group in its Report has suggested that the main focus in regard to the development of bulk bitumen should be directed towards maximising bulk upliftments within the economic road-fed zones around bitumen producing refineries. The Group has emphasised upon the necessity for imposition of a 'bulk only zone' around each bitumen producing refinery and has also examined *inter alia*, the question of incentives necessary for promotion of bulk sales. The report was examined in the Ministry of Petroleum, Chemicals and Fertilizers and a meeting was held on 12-6-78 with the representatives of Ministry of Shipping and Transport, the Oil Coordination Committee and the Oil Companies to review the need for the following:—

(i) feasibility of a mandatory order that packed bitumen supplies will be gradually curtailed during the course of next one year to consumers located within a radius of 400 kms. from the producing refinery;

(ii) the extent of additional subsidy by means of reduction in the price of bulk bitumen from the existing levels; and

(iii) the extent to which the present under recoveries in respect of bitumen price should be made good by stepping up the price of packed bitumen and subsidising the price of bulk bitumen.

3. This matter was also discussed at the meeting of Chief Engineers in June 1978. It has been pointed out on behalf of the Ministry of Shipping and Transport that there are certain difficulties involved in immediately having a mandatory "Bulk-only"

zone and that certain data need to be collected regarding the consumption of bitumen in each Division/Circle of the various P.W.Ds for examining the feasibility of a mandatory stipulation for the offtake of at least part of the total quantities in bulk. The State Governments have been requested by the Ministry of Shipping and Transport to examine this matter on a priority basis and to report back to that Ministry immediately. The matter will be further reviewed on receipt of the notes from the State Governments.

4. The Oil Companies will continue their efforts for promotion of sales of bitumen in bulk and the 'Working Group' of the Oil Coordination Committee will continue as a Standing Group to monitor and review the progress on a continuous basis. A representative of the Transport Ministry will also be co-opted in the Standing Group for this purpose.

[Ministry of Shipping & Transport (Roads Wing) O. M. No. B-29(1)/78Vol. II, dated the 6-9-78]

**Recommendation**

The Committee note that Government have decided to encourage the oil companies in the public sector to market bitumen in bulk and if adequate progress is achieved in this field within a period of two years then the question of winding up of Bitumen Marketing Corporation would be considered. The Committee would like this matter to be kept under review by Government in order to ensure that effective measures are in fact taken to market bitumen in bulk for the sizeable road construction programme under way in the interest of achieving overall economy.

[S. No. 127, Appendix XIV, Para 8.33 of the 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The work of monitoring & reviewing the progress of sales of bulk bitumen in consultation with all concerned has been entrusted to the Oil Coordination Committee. The said Committee had set up a Working Group which submitted its Report in October, 77. The whole matter including the recommendation of the Working Group has been followed up in the meeting of Chief Engineers as well as in a meeting taken by the Ministry of Petroleum, Chemicals & Fertilizers with others in June, 78. The State Governments have also been advised to examine the matter on a priority basis in the light of these discussions. The observation of the Public

Accounts Committee has been noted and the whole question of taking effective measures to promote sales of bulk bitumen will continue to be monitored and reviewed. The final decision on the Bitumen Marketing Corporation will be taken in the light of the further progress made as a result of these efforts.

[Department of Petroleum O. M. No. 33042|3|78-MKT dated 25-1-79]

**Recommendation**

The Committee are concerned to note that the production of bitumen which had progressively increased from 6.90 lakh tonnes in 1969 to 11.67 lakh tonnes in 1973 came down to 8.73 lakh tonnes in 1974 and 7.08 lakh tonnes in 1975. The main reasons for fall in production are stated to be steep fall in consumption of bitumen due to (i) low magnitude of road works due to financial constraints, and (ii) adoption of alternative specifications issued following the world-wide oil crisis in 1973. This declining trend in the production of bitumen is a matter of serious concern.

[S. No. 128 Appendix XIV, Para 8.34 of the 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

Demand for bitumen has been generally met in full in the past few years inspite of the decline in production and certain quantities were also exported. The production of bitumen has also increased and reached a level of nearly a million tonnes in 1977-78 from the level of about 0.7 million tonnes in 1975-76. The production of bitumen will be maintained at the optimum level keeping in view the indigenous demand for the product and within the constraint of increased processing of Bombay High Crude which is not suitable for bitumen manufacture. The production of bitumen in 1978-79 is estimated to be around 1.1 million tonnes.

[Department of Petroleum O. M. No. 33042|3|78-MKT dated 25-1-79]

**Recommendation**

The Committee find that though domestic consumption of bitumen started declining during the Fourth Plan, no worthwhile steps appear to have been taken to step up the export of bitumen during the Plan

period. From 23,527 tonnes of bitumen exported during 1969-70 i.e. the first year of the Fourth Plan, the quantity fell to 11,974 tonnes during 1970-71 and nil during 1971-72. It was only after the Fourth Plan that the export bitumen picked up from 16,734 tonnes in 1974-75 to 72,531 tonnes in 1976-77. Since bitumen is needed all the world over for road works etc. and at the same time our own needs are limited, the Committee need hardly emphasise that production of bitumen should be stepped up so that surplus bitumen could be exported and valuable foreign exchange earned. Incidentally, this will also enable the refineries to liquidate the stocks that have been accumulated over the years causing acute storage problems.

[S. No. 129, Appendix XIV, para 8.35 of the 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The situation regarding large accumulated stocks of bitumen with the refineries has changed in the last one to two years as the indigenous demand for bitumen has picked up. There is at present no problem of accumulated stocks of bitumen with the refineries. Production of bitumen will also be somewhat limited now by increased processing of Bombay High Crude which is not suitable for bitumen manufacture. The domestic sales of bitumen is expected to be around 1.1 million tonnes in 1978-79 and no surplus of bitumen for export is envisaged at this stage during the current financial year.

[Department of Petroleum O. M. No. 33042|3|78-MKT dated 25-1-79]

**Recommendation**

From the material made available to the Committee and the findings of the Audit, the Committee are constrained to think that the Lateral Road Project for constructing a length of 995 miles of road from Bareilly to Amingaon, with 23 major bridges, 130 medium bridges, 185 minor bridges, was rushed through without creating adequate infra-structural facilities for its execution in the States of Uttar Pradesh, Bihar, West Bengal and Assam which were responsible to execute it within their respective territories. The State Public Works Departments did not have adequate manpower, road construction machinery and other resources necessary to execute such a gigantic project which was originally schedule to be completed by 31 March, 1967. To enable the State Governments to create separate Public Works Department Wings exclusively for the exe-

cution of the Project, the target date of the project had to be extended by two years. The total cost of the project as originally proposed by the Border Roads Development Board was roughly estimated at Rs. 55.00 crores, but on the receipt of details of estimates it was increased to Rs. 111.00 crores.

[S. No. 130, (Para 9.16) of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action taken**

The proposal to construct the Lateral Road from Bareilly (in Uttar Pradesh) to Amingaon (in Assam) was mooted by the Ministry of Defence and the project was originally intended to be included in the Programme of the Border Roads Development Board. Later on, however, this project was entrusted to the Roads Wing of the Ministry of Shipping and Transport as a plan scheme in December, 1963. The total cost of the project as proposed by the Border Roads Development Board was Rs. 55.00 crores but this was only a rough estimate and that also for the 640 miles length between Bareilly to Siliguri and no detailed survey and investigations had been carried out till then. The estimated cost of Rs. 111.00 crores which was for the whole project of 995 miles (Bareilly to Amingaon including link roads) was based on detailed investigations by States concerned and was, therefore, more realistic than the earlier rough and inadequate estimate.

The work had to be taken up on a top priority basis in view of the urgent need for providing a second line of communication in the circumstances then prevailing and naturally the States concerned had to be requested to take up the work on this basis. The entire completion cost of about Rs. 75.00 crores (for the length of 873 miles as reduced by the Study Team) was, however, met by the Government of India who also had paid agency charges to the States at the rate of 7½ per cent for creating necessary infrastructural establishment for handling the work and the States concerned gradually developed the required organisation also.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated 6-9-1978]

**Recommendation**

What has distressed the Committee more is the fact that the priority of the Project was downgraded in 1966 to the extent of virtually suspending work on it. It was not resuscitated until a review by a Study Team in 1968 which recommended that the pro-

ject should be completed by March 1971 on reduced specifications by allocating Rs. 29.62 crores over and above Rs. 43.7 crores already spent upto 1967-68.

[S. No. 131 (para 9.17) of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action taken**

The work of construction of the Lateral Road was taken up on a top priority basis on the recommendations of the Defence Authorities in view of the urgent need for providing a second line of communication in the circumstances then prevailing. Later, the priority of this work was downgraded in 1966 when the work of construction of the Lateral Road was in full swing because of the change in the operational requirements and serious financial constraints. *Prima facie*, the Ministry of Shipping and Transport has no control over these developments. In order, however, to ensure that the investment already made did not prove infructuous, the Ministry persuaded all the concerned authorities to review the position and to agree to the road to be completed with a reduced scope. Accordingly, a Study Team was constituted to find out the ways and means of completing the project even to certain lower standards and specifications. The recommendations of the Study Team to complete the project with the reduced specifications and length (873 miles against 995 miles original) in a phased programme were accepted and the work was allowed to be proceeded with accordingly.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated 23rd Sept. '78]

**Recommendation**

The Committee all the more regret that even after reducing the parameters of the project (total length reduced from 995 miles to 873 miles with a corresponding reduction of bridge works), the authorities failed to complete the project by the revised date of March, 1971 although a major portion of it was already completed by 1967-68. And all this happened despite the forceful argument of the Committee made in their 42nd Report (Fourth Lok Sabha) that the expenditure already incurred should not be allowed to become infructuous.

[S. No. 132 (para 9.18) of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

In Uttar Pradesh, Bihar and West Bengal, by and large whole of the Lateral Road, including bridges was complete by 1971-72. In

Assam, all the major, medium and minor bridges except 5 minor bridges in Section III (Kachugaon-Sidli) were complete and the entire road work on all the 87 kms. was complete except for some short stretches forming approaches to bridges|culverts aggregating to a total length of 5 kms. However this did not hold up the traffic as the road was opened to traffic with the help of temporary diversions. These works could not be completed earlier due to various constructional difficulties including procurement of essential materials like cement, steel, etc. Works is, however, now in hand and is expected to be completed soon.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 20-12-78]

**Recommendation**

Another instance of improper planning on the part of the authorities has come to light in respect to the construction of a missing link in the project between Darbhanga and Forbesganj in Bihar, over a length of 154 kms. This project, which was originally estimated to cost Rs. 23.50 crores and subsequently revised to Rs. 53.36 crores, was abandoned on the plea of constraint of resources. The Committee are unable to appreciate the reasons which led the Ministry to take up the project in September 1970 when the priority of the Lateral Road Project, was down-graded and the work had virtually been suspended till 1963. It is also not clear to the Committee how the project, which was taken up for execution in 1972, was summarily abandoned in 1974. The Committee desires that a full explanation of the case should be furnished in consultation with the Ministry of Defence.

[S. No. 134 of Appn. XIV to para 9.20 of 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

Development of a road between Darbhanga and Forbesganj was not a part of the Lateral Road Project. It is a State road and its construction is the responsibility of the State Government. However, in view of the importance of this link in reducing the distance between Bareilly and Amingaon (Gauhati) and its utility as an alternative line of road communication between Muzaffarpur and Araria the feasibility of developing it under the Strategic Roads Programme was considered in consultation with the Ministry of Defence. At one stage, the Defence Ministry also agreed to have this road included in the Strategic Roads Programme, Later on, on a review of their

requirements, that Ministry decided that the road was not essential from the Defence point of view and the proposal to develop it as a part of the Strategic Roads Programme was dropped. Before this decision, a small amount of Rs. 34,340/- only was sanctioned for certain model experiments at the Central Water Power Research Station, Pune for the bridge across river Kosi at Mahademath falling on the road. No other work relating to this was or has been either sanctioned or started.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78 dated the 20-12-78]

**Recommendation**

The Committee note that against the total allocation of Rs. 25 crores earmarked for roads of inter-State and economic importance in the Forth Plan, and expenditure of Rs. 15.71 crores (about 63 per cent) only was incurred during the Plan period. The pace of expenditure was significantly slow (Rs. 5.71 crores only) during the first three years (1969-70 to 1971-72) because of the delay in the finalisation of the new programme which could be approved in 1971 only due to non-finalisation of the pattern of assistance and the time taken in ascertaining the willingness of the States to take the loans. It is surprising that though schemes costing Rs. 17.46 crores (Appendix IX-A Section) were approved in January, 1971 under the Programme, the expenditure for the same was authorised in May, 1972 or thereafter in majority of the cases. The remaining scheme (Appendix IX-B Section), costing about Rs. 8 crores were approved after 1971 and the expenditure was authorised in their case during the period from March, 1973 to August, 1975. This under-lines the need for more expeditious processing of proposals and issue of the concomitant sanctions.

[S. No. 138 (Para 9.50) of Appendix XIV to 18th Report of the Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The Public Accounts Committee have underlined the need for (i) more expeditious processing of the programme of State roads of inter-State or economic importance; and (ii) expeditious issue of the concomitant sanctions.

2. Processing of the aforesaid programme is dependent on the following factors:—

(a) Calling for the proposals from the States after provision has been made for new works under the programme in

a 5 year Plan document. While sending the proposals, the State Governments have to furnish certain essential data in respect of each of the schemes, such as:—

(i) Name of the road/bridge to be indicated in the order of *inter-se* priority;

(ii) Estimated cost;

(iii) Scope of the work;

(iv) Detailed note in respect of each of the projects proposed giving relevant data and statistical details spelling out the socio-economic benefits likely to accrue; and

(v) Index Plans showing the road/bridge and other features.

**Action taken**

(b) Scrutiny of the proposals received from the State Governments. It is relevant to point out in this connection that the proposals from the State Governments do not reach this Ministry at the same time and there is some time gap in this respect.

(c) Finalisation of the proposals in the Ministry keeping in view the *inter-se* priority of the various schemes and the funds available for the purpose.

(d) Submission of the proposals to the Planning Commission and the Ministry of Finance and replying to the points, if any, raised by them.

(e) Approval of the programme after obtaining the concurrence of the Planning Commission and the Ministry of Finance.

3. However, this Ministry is quite conscious about the need for the expeditious processing of the proposals. Actually, to expedite matters, the States have been delegated powers to sanction themselves, after some proposed works against a plan programme have been accepted and approved, detailed estimates for works costing upto Rs. 1.00 crores. Only estimates for works costing more than Rs. 1.00 crore are required to be submitted to the Government of India for their prior technical approval and financial sanction. Such

works are, however, few and far between and most of the works fall within the delegated powers of States for sanction. In order to ensure that the States also sanction the estimates expeditiously, this Ministry have been urging upon them every now and then the need and urgency for taking urgent action in this regard.

4. The observation of the Public Accounts Committee for expeditious issue of the concomitant sanction has been noted.

5. In this connection, it is relevant to point out that the programme for the Fifth Plan was approved in January, 1977.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 26 July, 1978]

**Recommendation**

The basic change that has been introduced in the Scheme since commencement of the programme in 1954, was that while upto 31st March, 1969 the pattern of assistance was matching grants-in-aid, this was changed to 100 per cent loan assistance with effect from the commencement of the Fourth Plan, 1st April, 1969.

The Committee note that some States, such as Assam, Meghalaya, Nagaland etc. have not availed of any loan assistance. The Sub-Group on Roads for 5th Plan has pointed out that "this financing pattern of cent percent loan ignores the essentially infra-structural nature of road construction in which returns do not always get generated in the time schedule thought of or do not necessarily come to create exchange value in a planned manner as in an industry". The Sub-Group has urged assistance of matching basis on the ground that (i) it would involve a sense of self-participation on the part of the State Governments, and (ii) it would enable the Government of India to approve a larger programme within the available funds. The Committee would like Government to review the entire system of assistance by the Centre for State Roads now handled in different Groups e.g. Central Roads Fund, Roads of Economic and inter-State Importance and roads included in other Centrally sponsored programmes.

[S. No. 140 (Para 9.52) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken**

The Centra Aid programme of State roads of inter-State or economic importance is the only Centrally sponsored programme in

the Central Sector Roads Programme. The P.A.C. have, however, desired Government to review the entire system of assistance by the Centre in respect of (i) Central Road Fund and (ii) Roads of Economic Inter-State Importance.

2. In so far as Central Road Fund is concerned, it is a "non Plan" Fund and is governed by a Resolution (copy enclosed) of Parliament. As would be seen from that Resolution, this Fund has the following sub-divisions:—

(a) Central Road Fund (Allocations) Account; and

(b) Central Road Fund (Ordinary) Reserve.

Twenty per cent of the proceeds of the Fund is retained by the Central Government and credited to the Central Road Fund (Ordinary) Reserve mentioned at (b) above. Grants to States from the component of the fund are already being provided to States on a matching basis.

The balance eighty per cent of the Fund forms part of the Central Road Fund (Allocations) Account mentioned at (a) above. According to the Resolution governing the Central Road Fund as passed by the Rajya Sabha on the 1st April, 1976 and adopted by the Lok Sabha on the 18th June, 1977, the Central Road Fund (Allocations) Account shall be allocated by the Central Govt. for expenditure in each State and Union Territory specified in the First Schedule to Constitution as near as may be in the ratio which the consumption of taxed motor spirit other than motor spirit used in aviation, in each area for which an allocation is to be made shall bear to the total consumption in the territory of India of taxed motor spirit, other than motor spirit used in aviation during the financial year concerned. It will thus be seen that the accruals for each State from this source are being assessed on the basis of the consumption of petrol in each area and yearly allocations made keeping in view these accruals, cost of schemes in progress, etc.

3. As regards Centrally aided State Roads of Inter-State or economic Importance, 100 per cent loan assistance is provided to the State Government with effect from the 1st April, 1969, as mentioned in para 9.52 of the Report reproduced above. This 100 per cent loan assistance is based on the cost estimates furnished by the State Government themselves at the time of submission of the proposals to the Government of India, initially for loan assistance. At the time of approving the programme, it is made clear to the State Governments

that any excess over the approved amount of loan will have to be met by them from their own resources. In the context of the trend of rising prices, the cost of labour and road-building material, the cost of schemes, based on the prices prevailing at the time of initial submission of the proposals by the State Governments to the Government of India, generally exceed the amount of approved loan assistance at the time the works are taken in hand, or when the works are in progress. The experience of this Ministry is that in some cases, the cost of schemes is more than double the approved cost. Thus, the State Governments have frequently also to share a part of the cost of schemes approved under the programme. In case, the loan assistance is restricted to be provided on a matching basis, it will be difficult for the State Governments to meet the additional liability as a result of excesses over the cost of approved schemes. In these circumstances, it may not be feasible to provide the loan assistance on a matching basis. At any rate, since the policy and pattern of financial assistance for all Centrally sponsored Schemes is decided upon by the National Development Council, the recommendation of the Committee is also being brought to the notice of the Planning Commission for necessary action.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 26 July 1978]

**Recommendation**

The Committee note that the construction of Bhadarwah-Chamba Road of the length of about 148 Kilometres (50 Kilometres from Jammu and Kashmir and the remaining Kilometres in Himachal Pradesh) was approved under the Central Aid Programme of State Roads of Inter State and Economic Importance in the 4th Plan. The project cost for the portion falling in Jammu and Kashmir as estimated in 1972 was about 149 lakhs and against that a sum of Rs. 115 lakhs was approved as Central loan to the State. The overall progress on this work as on 31st March, 1976 was about 60 percent and an expenditure of Rs. 54.69 lakhs was incurred thereon. It has been stated that the estimates for construction of bridges and culverts are still awaited from the State Government. The Committee regret that improvement in geometrics in respect of some of the stretches of the road could not be effected because of their having been already progressed. Since geometrics is a basic requirement in road alignment, they feel that this aspect should have been taken care of before the sanction was accorded to the estimates.

[Sl. No. 141, Para 9.53 of the Appendix XIV to the 18th Report of the Public Accounts Committee (6th Lok Sabha)]

**Action taken**

Bhadarwah-Chamba road is a State road. However, in order to assist the State Government financially in its construction, the Government of India had agreed to provide a loan of Rs. 115 lakhs under the Central Aid Programme of State roads of inter-State or Economic Importance to meet the full cost involved as indicated by the State Government themselves. The increase in the cost of the project to Rs. 149 lakhs in 1972 was a subsequent development and the State Government had agreed to bear the excess of the cost from their own resources.

2. As regards geometrics, while sanctioning the estimate, suitable proposals for improvement of geometrics were incorporated in the technical notes. The report received from the State Government also shows that they are fully alive to the requirement of proper geometries (extract enclosed as annexure) and there are no grounds to believe that this aspect has been ignored. The Government will, however, persue this matter further with the State Government.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 31 July 1978]

*ANNEXURE*

*Extract from the State Government report*

As regards geometrics of the road, it would not be correct to say that the improvement in the geometrics has not been made. It has been made amply clear in reply to various technical notes that the improvement to the alignment as suggested by the Ministry would be made during the execution of the works and in fact this point has been kept in view during the execution. The Chief Engineer Roads and the Superintending Engineer has already inspected a part of the road and I hope they are satisfied with the geometrics. The only point that has been raised during the reply to the technical comments was that at a few places instead of excessive through cuttings, slight curves had been introduced, because of the fact that at such high altitudes and through the hilly cuttings not only the cost becomes excessive but maintenance of the through cuttings during heavy rains becomes very difficult as these portions get blocked by slips (land slides). However, even in these reaches we have not compromised on the geometrics though slight relaxations of the standards at such places in hilly roads is unavoidable.

**Recommendation**

With regard to the portion of the road in the State of Himachal Pradesh, the Committee have been informed that the overall progress ending August 1975 was about 65% and an expenditure to the tune of Rs. 44.30 lakhs was incurred thereon against the estimate of Rs. 65.00 lakhs. The Committee would like the reasons for slow progress to be looked into and appropriate follow up action taken to complete the remaining works so that the road is pressed into public use.

[S. No. 142, Para 9.54 of the Appendix XIV to the 18th report of the Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

Bhadarwah Chamba road falling in the States of Jammu and Kashmir and Himachal Pradesh is a State road and, therefore, the State Governments concerned are primarily responsible for its construction. A sum of Rs. 65.00 lakhs was agreed to be provided as loan under the Central Aid Programme of State Roads of inter-State or or Economic Importance to the Government of Himachal Pradesh during the IV the Plan in accordance with the policy of the Government of promoting inter-State communication facilities, help in the development of roads in backward, far flung and remote areas. The amount of loan assistance was decided on the basis of the cost estimate furnished by the State Government themselves. As a matter of policy of the Government of India, loan assistance is provided to the States on the express understanding that the excess, if any, over the loan assistance approved initially will be met by the State Government from their own resources. Annual budgetary allotments are made by the Government of India in lumpsum depending upon the availability of resources, schemes in progress, demand from other States, etc. and the State Government themselves re-allocate such funds among the individual approved works.

2. The Government of India are fully aware of the need for the early execution of Chamba-Bhadarwah road and the reasons for its slow progress have been carefully examined in consultation with the State Government. The same are attributable to the location of the road in the far flung mountainous region which suffer from inherent natural handicaps like limited working seasons, difficult terrains and high altitude which remains snow-bound during winter months, dearth of labour, materials, contractors etc. which will have

at times to be obtained from outside the State. Nevertheless, keeping in view of the Inter-State Importance of the road, the Government of India would make all possible efforts for its speedy completion and the matter is being pursued with the State Government vigorously.

[Ministry of shipping and Transport (Roads Wing) O.M. No. B-29(1)/78, dated the 19-6-78]

**Recommendation**

Further in respect of this road, Audit have pointed out that "no cost—benefit analysis of the heavy investment of between Rs. 2 lakhs and 3 lakhs per mile seems to have been undertaken." The traffic did not justify it. The Committee consider that before any project of this nature is undertaken for execution by the State authorities with either loan or grants from the Central Government, the Ministry should invariably be furnished with the cost-benefit studies so that the projects may be examined in their proper perspective before sanction. The Committee need hardly point out that in the context of the constraints of resources, priority may be given to construction of roads which are viable and justified on economic considerations.

[S. No. 143 (Para 9.55) of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action taken**

This observation is related to the assistance (at present with effect from 1st April, 1969, it is 100 per cent loan) provided for selected State roads of inter-State or economic importance. The main objective of this scheme is to provide assistance for such road schemes as would help in the economic upliftment of the areas concerned through development of road communication like Tribal areas, hilly areas, backward regions, areas on the boundaries of two States etc., with their preoccupation with other requirements. States are unable to devote proper attention to these requirements and as such the offer of Central loan assistance comes in very handy to States to meet some of these pressing requirements. While calling for proposals, the Government of India asks States to send full details with complete economic justification and a decision is taken keeping all these economic aspects and various other aspects in view. The spirit underlying the recommendation of the Committee is, therefore, already being followed and viable schemes alone are approved. The Committee will kindly appreciate that if one were to go strictly by cost benefit criteria of a conventional

nature, the isolated, backward hilly, sparsely populated areas, etc., would never get developed and come into the National main stream. This was also the view expressed by the Planning Commission's Committee on Transport Policy and Coordination (January, 1956) when they indicated that disparities in development between the more advanced and the less advanced regions are often reflected most glaringly in the comparative state of their road communications and that in lifting the economy of the more backward areas, such as scheduled areas, hill areas, coastal areas and others, improved road communications can make a contribution for exceeding the investments needed. The Committee was therefore, of the opinion that such investments should have high priority in plans for the development of markedly backward regions.

At any rate, as indicated above, Government is already alive to the need for providing financial assistance for such schemes as fit in with the *inter-se* priority judged on the basis of detailed justification furnished by the States keeping in view the importance of the schemes from the point of view of the economic potential, requirements of opening up new areas/backward regions and providing access to regions which are not served by other means of communication. It is felt that in a country like India which is still considerably backward in the matter of road communications, this methodology should serve the purpose.

[Ministry of Shipping and Transport (Roads Wing) Office Memorandum No. B-29(1)/78-Vol. II, dated 5-7-78]

**Recommendations**

The Committee note from the audit para that though under the programme of Roads of Inter-State and Economic Importance individual projects costing less than Rs. one crore each can be sanctioned by the State Governments under their own powers, the pace of progress in sanctioning some such projects in Bihar (4 projects) Punjab (approaches on either side of main Sutlej Bridge at Shahkot), Madhya Pradesh (except roads in dacoit-infested areas), West Bengal (Bridge over Hooghly at Kalyani), etc. has been slow. *The Committee would like the Ministry to look into these and such other cases where the State Authorities have been either slow in sanctioning the projects or have not sanctioned and referred the same to the Centre. With a view to examine as to how far the powers delegated to the State Authorities in this behalf has been utilised by them and whether in the light of that study any streamlining of the procedure is called for.* . .

[S. No. 144 para 9.56 of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

In respect of works approved under the Central-Aid-Programme of State-Roads of Inter-State or Economic Importance, the State Governments have been delegated powers to sanction estimates upto and including Rs. one crore (not less than Rs. one crore as stated by the public Accounts Committee). The purpose of delegation is to expedite the sanction and execution of approved works by cutting out the time required in the submission of estimates to the Central Government for their approval and sanction. Majority of the works approved under this programme, always fall within the delegated powers of the States.

By and large this delegation of powers has functioned well. If, here and there, in a few cases, there have been some delays. The causes of delay could be attributed to the following:—

(i) Excess over approved Loan Assistance:

In some cases the actual cost exceeds the amount of Central Assistance as a result of increase in the cost of materials, labour etc. We have no provision for meeting such excesses under the Central-Aid-Programme and as such the States are required to meet such excesses from their own resources. Normally the tendency of States in all such cases is to approach the central Government for increase in the Central Assistance and in quite a few cases, the State Governments go on repeating their requests in spite of a categorical reply from the Centre about their inability to meet such excesses. This *prima-facie* leads to some inevitable delay. The Government of India is alive to this problem and tries to persuade the State Governments to meet such excess from their Central Road Fund (Allocations) Account, and in majority of cases, Government of India succeeds in their efforts. But all this takes some time resulting in some delay.

(ii) Change in scope of work:

In certain cases the State Governments want to change the scope of the work *e.g.* State Governments some times propose to have a combined rail-*cum*-road bridge instead of a road bridge alone as envisaged originally and enter into correspondence with the Ministry of Railways which takes considerable time.

(iii) Non-settlement of agency:

In certain cases of Inter-State bridges falling on the boundary of two States, delay takes place because the two States concerned

are unable to reach on an agreement regarding the State which will handle the project. In order to overcome this problem in future the State which will handle the project will be indicated in the programme itself at the time of approval.

Additionally, in the light of the Committee's Observations the States have again been addressed and all possible steps would be taken to ensure that there is no avoidable delay in the sanctioning of works by the States.

[Ministry of Shipping and Transport (Roads Wing) Office M. No. B-29(1)/78 Vol. II dated the 19-6-78]

**Recommendation**

The Committee are concerned to note from the Audit Para that though a bridge over river Sutlej at Shahkot in Punjab was sanctioned in January 1971 at an estimated cost of Rs. 2.00 crore it needed reconsideration as two bridges already existed in that area. It has also been stated that the tender for the bridge was awarded to a firm which has not got experience in major bridge construction. The Committee would like to be informed as to why the position of two bridges already existing in that area was not taken into account at the time of sanctioning the major bridge at Shahkot as also the circumstances which prompted the competent authorities to award the work to a contractor who has not got adequate experience of construction of major bridges. They would also like to know the latest position in the construction of the bridge and expenditure incurred so far.

[S. No. 145 Para 9.57 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

Construction of the proper bridge over Sutlej at Shahkot was approved for loan assistance of Rs. 2.00 crores under the Central-Aid-Programme of State Roads of Inter-State or Economic Importance. The proposal emanated from the State Government who are also executing the work as the bridge falls on a State Road. While proposing the construction of a bridge at Shahkot for Central loan assistance, the position of the existing bridges over Sutlej was fully kept in view. There are, in fact four bridges already existing over *viz.* Roppar, Phillaur, Gidderpindi and Harike. The distance between the Phillaur and Roppar bridges is approximately 80 Kms. The third bridge at Gidderpindi is a rail-cum-road bridge and has a

limited capacity for road traffic. The fourth brige is at Harike Barrage.

The bridge under reference was proposed at Kanwanpattan near Shahkot between Phillaur and Gidderpindi having a distance of about 80 Kms. in place of a boat bridge which has not only a limited load carrying capacity but also has to be dismantaled during the rainy season with the result that the traffic on the Bhatinda-Moga Road to Jullunder has to move an additional distance of about 25 kms. This being highly developed agricultural area and with a good existing net-work of roads on either side of the river, the need for this bridge was very essential for economic development by providing direct access to the major grain market at Moga. Morever, this bridge provides a direct link for the area between Sutlej and Beas with Ludhiana, Moga and Ferozepur which is of greater strategic importance. The need for this link and the bridge was keenly felt during the 1971 operations. Another consideration for locating the new bridge at Kanwanpattan near Shahkot was that it would form a part of Delhi-Moga-Jullunder (with extension to Pathankot) important Highway route. Thus the proposal for the construction of the bridge in question was conceived keeping all these aspects in view and is considered to be reasonable.

The tender for the bridge was awarded by the State Government to the lowest tenderer M|s Om Parkash Baldev Kishan which incidently was without any escalation clauses after the State Public Works Department were satisfied about the capacity of the contractors to do the work, their financial resources. technical competence, past experience and machinery available with them. The firm was asked by the State Public Works Department to submit a list of works already executed and details of technical staff available with them. From the details furnished by the firm, the State Government concluded that the firm had considerable standing in constructing large building works with the M.F.S. and Capital Project Authorities in Delhi and Punjab and had also executed a number of bridges and culverts under the Border Road Development Organisation. They had also experience in prestressed concrete work and had well qualified technical personnel. It was, therefore, concluded that their capacity to execute this project was not in doubt although they had not done work in sinking of walls as sinking in this river is mostly through sand and labour for such work with sufficient experience is easily available in Punjab. The work was awarded to the firm only after the State Chief Engineer was fully satisfied about their competence to execute the bridge work. This bridge falls on a State road all matters pertaining to award of tenders etc. fall within the

sphere of state activities. Upto the end of January 1978 an expenditure of a sum of Rs. 162.726 lacs has been incurred on the bridge work which includes bridge proper approaches and the construction of guidebunds. The work is in final stages of execution and is likely to be completed by the end of June, 1978.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)/78 Vol. II dated 19-6-78]

**Recommendation**

The Committee are perturbed to note cases of delays and irregularities in the execution of roads of Inter-State and Economic Importance as pointed out by Comptroller and Auditor General in his Supplementary Reports for the year 1973-74 on certain States. For example, in Andhra Pradesh for the construction of 50 Kilometres of road from Burgumpad to Aswaraopat the work started in March 1973 and scheduled for completion within six months, had not been completed till September, 1974.

[S. No. 146, (Para 9.58)of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

Roads approved under the Central Aid Programme of State Roads of Inter-State or Economic Importance being State roads, the State Government concerned are primarily responsible for their construction. The road from Burgumpad to Aswaraopat in Andhra Pradesh was approved during the IVth Plan period. While the full length of the entire road is 77.6 Kms. under the Central Aid Programme the target was to complete 19.14 Kms. only at an estimated cost of Rs. 25 lakhs.

2. It has been reported by the State Government that they could not achieve the desired progress on the aforesaid 19.14 Kms. long Section since the road lies in a thick forest area where there is great dearth of contractors and labour. In addition, there are no cross drainage works on the rest of the road due to which there was a lot of difficulty even in transporting the construction material to the Section under consideration. All these extraordinary circumstances thus contributed to the delay in the completion of the work in time. The State Government have however since taken various remedial measures to overcome these difficulties and the formation and metalling has already been completed and black topping work is nearing completion.

3. Government have also taken up the issue raised by the Committee with all the States to ensure that all possible steps are taken to ensure that the works approve under the Central Aid Programme of State roads of inter-State or Economic Importance are completed according to schedule.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)/78-Vol. II, dated 25-7-78]

**Recommendation**

In respect of Karnataka the Committee find that out of six works in progress in April, 1969, five were completed by March 1974, and one work "Mani-Ullal Road" had been deferred after Rs. 52.69 lakhs were spent thereon. Similarly, it is reported that the construction of a bridge across river Tungabhadra near Gillesgur on Hyderabad-Bangalore Road, though approved in October, 1968 and scheduled to be completed by January 1972, was still incomplete in March, 1975. In the case of Maharashtra, while the Government of India had approved the construction of the bridge across the Revdanda Creek in September, 1972 an agency to construct the bridge had not been found even till October, 1974.

As regards Uttar Pradesh, construction of the Chamoli-Okimath road approved by the Government of India, in July, 1960 was sheduled to be completed by March, 1970 at an estimated cost of Rs. 122.16 lakhs. The progress of the work was so slow that by March 1969 only the Chamoli Gopeshwar section (about 10 Kms) was completed. With two revisions of certain sections, in January, 1971 and in September 1973, the total estimate of the road was revised to Rs. 173.61 lakhs. Though the target date for completion was also revised to December, 1972 the road was completed by August, 1974, except for the stretch from Mandal to Chopta ridge.

The Committee would like the Ministry to study carefully the cases of delays as pointed out in the above and other reports of Comptroller and Auditor General on Road Development during 4th Plan with a view to take suitable remedial measures in consultation with the State Authorities so that the roads and bridges taken up under the Centrally aided Programme are completed expeditiously and pressed into public use.

[S. No. 147 (Para 9.59) of the Appendix XIV to the 18th Report of the P.A.C. (6th Lok Sabha)]

**Action taken**

Roads financed under the Central Aid Programme of State roads of Inter-State or Economic Importance are State Roads and, therefore, the State Government are primarily concerned with their construction. By and large, the progress of the works approved under the programme has been satisfactory. However, in certain cases, there have been some delays. The same are on account of undue increase in cost following high tender rates, etc. and the problem of the State Governments in meeting the excess over the approved loan; dearth of labour and contractors due to the location of the work in some cases in far flung mountainous and other difficult regions, time taken by States concerned in coming to an agreement regarding the agency for handling the work when it happens to be a bridge over the boundry of two States, etc. Nevertheless, the observations of the Committee have been noted and necessary action is being taken in the matter in consultation with the State Governments concerned.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78—Vol. II, dated the 19th July, 1978]

**Recommendation**

The 4th Plan provided Rs. 8 crores for carry-over works and another Rs. 35 crores for new strategic roads. The Committee note that even during the 4th Plan period there was a short fall in expenditure as they find that against the Plan provision of Rs 43 crores, an expenditure of Rs. 36.08 crores only was incurred. What has particularly concerned the Committee is the fact that the construction of roads on which Rs. 10.57 crores had already been spent were subsequently downgraded in priority. In Rajasthan alone, out of 27 roads decided to be developed at a total estimated cost of Rs. 30.75 crores in 1965, 20 roads were completed between 1968-69 and 1971-72 and work on the remaining seven roads was suspended after Rs. 52.23 lakhs were spent because the Government no longer considered these roads as important.

The Committee fail to appreciate the justification for down grading priority of road works, which are in the process of execution, the harmful consequences that stoppages would entail, on the generation of employment opportunities as also the economies of the works themselves. For example, Road 'G' was sanctioned in June, 1966 for Rs. 25.83 lakhs and was completed in two stages, the first stage by September, 1967 and the second stage in 1971-72. During the intervening period of 3 years, after completion of the first phase of the work, the gravel road surface suffered corrugation and was rutted,

necessitating regravelling at a cost of Rs. 4.79 lakhs. Another expenditure of Rs. 1.50 lakhs was incurred to strengthen the berms which were eroded by winds and rains. Similarly, Road 'E' was sanctioned in June, 1966 for Rs. 40.95 lakhs. In July, 1967 the road was categorised as 'low priority' and work was slowed down, but again in May, 1968 a portion of 51 miles of this road was allotted high priority. Again in December, 1970, Ministry of Defence decided that only 28 miles of this road should be developed. Thus an additional expenditure of Rs. 16 lakhs was incurred on account of changes in priorities and scope.

The Committee feel that there is need to study the history of some strategic roads which were decided to be taken up on a priority basis earlier but were later down-graded and again after some time completed on priority basis so as to derive lessons and evolve institutional arrangement to avoid repetition of such situations which lead to halting progress and escalation of costs.

[S. Nos. 149, 150 and 151 Paras 9.75, 9.76 and 9.77 of Appendix XIV to 18th Report of P.A C. (6th Lok Sabha)]

**Action taken**

The total programme of Strategic Roads as approved in 1965-66 for Rajasthan originally provided for the development of 1610 miles of roads at an estimated cost of Rs. 23.00 crores. These roads in Rajasthan included some arterial roads in the interior and some link roads connecting the arterial roads to sensitive points along the border.

Following an inter-departmental meeting convened by the Cabinet Sectt, on 4th June, 1965 to consider the strategic roads requirements in the wake of Pakistani aggression in 1965, it was decided to undertake the development of certain roads in Rajasthan but subsequently at another inter-departmental meeting held in the Ministry of Defence in June, 1967 some of these roads were assigned low priority and it was considered that work on these roads should be slowed down or suspended. A study team consisting of the officials of Ministry of Finance, Ministry of Transport and representatives of the State P.W.D. visited Rajasthan with a view to assess the inescapable commitments on these roads. These low priority roads included the roads mentioned as 'G' and 'E' in para under reply. A case study of some of the strategic roads which were taken up on priority basis

earlier but were later down-graded and again after sometime completed on priority basis has been made as under:—

(i) *Road 'G'* was sanctioned in June, 1966 for Rs. 25.83 lakhs as gravel road. In July, 1967, this road was assigned low priority but in May, 1968, Ministry of Defence prepared another paper of priorities assigned to strategic roads as Annexures A-I, II and III. The original requirement of Ministry of Defence was for gravel road for which the above mentioned estimate was sanctioned in June, 1966. But subsequently, in the meeting held in November, 1968, Ministry of Defence desired that this road should be dust-proof that is, black-topped. Subsequently, dust-proofing was done as a second phase work.

This road completed earlier as a gravel road got worn out and rutted due to the plying of vehicular traffic in the intervening period of three years till the road was black-topped. This, therefore, necessitated the requirement of repair to the berms and surface before the black-topping could be taken up as a second phase work. Gravelling is a normal feature of maintenance of gravel roads as gravel being soft material gets worn out by traffic loads and, therefore, the amount spent on this maintenance is in order.

(ii) *Road 'E'* was sanctioned in June, 1966 for Rs. 40.05 lakhs as gravel road. In July, 1967, this road was assigned low priority but in May, 1968, Ministry of Defence prepared another paper of priorities assigned to strategic roads as Annexures A-I, II and III. The original requirement of Ministry of Defence was for gravel road for which the above mentioned estimate was sanctioned in June, 1966. But subsequently, in the meeting held in November, 1968, Ministry of Defence desired that this road should be dust-proof, that is, black topped. Subsequently, dust-proofing was done as a second phase work.

A part of this road from Jaisalmer to Dhanna was included as a high priority road in Annexure I of the Defence Ministry's paper on Strategic Roads. Therefore, another estimate amounting to Rs. 30.78 lakhs for black-topping this stretch of 51 miles was sanctioned by the Ministry *vide* Job No. STR|RJ|82 in July, 1970. In December, 1970, Ministry of Defence revised the programme and intimated *vide* U O. No. 19(14)|70|D(GSV) dated the 3rd December 1970, that only Jaisalmer-Sam portion (length 28 miles) of this road should be developed. It was represented by this Ministry to the Ministry of Defence that the work on the section from Sam to Dhanna has been allotted to the contractors and if the work of dust-proofing is stopped on this Section, there will be considerable financial implications and some expenditure already incurred will become infructuous. Consequently *vide* U.O. No. 19(14)|70|D(GSV) dated

9th March, 1971, Ministry of Defence, agreed that black-topping may be done from Sam to Dhanna.

It will thus be clear from the above that the Army authorities have been changing the priorities according to their operational requirements. Due to frequent changes in priorities and scope of work, some additional amounts were spent but these cannot be called "avoidable" expenditure taking the overall National interest in view. It may be stated, however, that we would have to accept changes in priorities as reflected by the Ministry of Defence based on operational requirements which are susceptible to changes in the overall National interests.

In order to obviate situations like those mentioned above in future, a mechanism of frequent periodic reviews of programmes of strategic Roads has been evolved. Since 1975, bi-annual review meetings are being held in the Ministry where representatives of Ministry of Defence and the State P.W Ds. are present. Not only the future planning of new works but also the progress of on-going works as well as the allotment of funds is thoroughly reviewed workwise in each State. This sytem of periodic reviews has considerably improved the co-ordination and the planning of Strategic Roads.

2. This has also been seen by the Ministry of Defence who agree with the views expressed above.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78, Vol. II, dated 20-12-1978]

**Recommendation**

The Committee are perturbed to note the irregularities committed in the execution of the strategic roads in Rajasthan, a reference to which has also been made in the Supplementary Report of C & AG for the year 1973-74 relating to the State. In this connection, the Committee would like to mention particularly the grave irregularity committed in the case of repairs carried out to 4 roads in May, 1971 through 37 piece agreements with petty contractors without calling the tenders. The work was split into small items so as to bring them within the competence of Assistant Engineers. No estimates were framed for approval of competent authority. The Executive Engineer had pointed out in June, 1971 after inspection that there were no traces of the work done. The Committee regret that though the Audit had brought these irregularities to the notice of the authorities in March, 1972, no condusive follow-up action has yet been taken against the persons found responsible. The Committee need hardly point out that the Roads Wing of the Ministry should have exercised

proper vigilance over each stage of planning and execution of roads through their Regional Offices so as to obviate the irregularities of the type mentioned in the Audit Report. This underlines the need for monitoring of works during execution and effective follow-up action as pointed out by the Committee elsewhere in this Report.

[S. No. 152 (Para 9.78) of Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action taken**

The matter has been examined in consultation with the Government of Rajasthan. The State P.W.D. have intimated that it has since been decided to take disciplinary action against the officers responsible for committing irregularities in this case *vide* letter No. F.6(96)PW/66, dated the 17th June, 1978 (copy enclosed as annexure). The departmental enquiry case has been entrusted to the Commissioner, Departmental Enquiry of the State for regular enquiry on 15th April, 1978.

2. In view of the limited staff, it is not possible for Ministry's Regional Office to exercise vigilance at each stage of planning and execution of all road works by the State P.W.D. The Regional Officer and the staff have to look after all Centrally sponsored schemes such as. Strategic Roads, National Highways, Roads of Economic and Inter-State Importance, etc. not only in one State but sometimes also in more than one State depending upon the work-load. The Regional Officers bring out deficiencies in construction by frequent site inspections. Copies of their inspection reports are forwarded to State Chief Engineer for suitable remedial action.

3. In regard to monitoring of works, a special monitoring cell has been recently created in the Ministry headed by a Chief Engineer. It is hoped that with this special cell, it will be possible to exercise better control on the progress and execution of works of Centrally sponsored schemes in the State.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78, dated the 31-7-1978]

*ANNEXURE*

COPY

RAJASTHAN SARKAR

Public Works Department

No. F.6(96)|PW|66 *Dated Jaipur, the 17th June,* 1978.

To

The Under Secretary to Government of India,
Ministry of Shipping and Transport (RW),
Transport Bhavan, New Delhi.

SUBJECT.—*Recommendations of the Public Accounts Committee contained in their 18th Report with regard to irregularities in the execution of Strategic roads in Rajasthan.*

Sir,

I am directed to refer to your letter No. SR|Misc.|10|78, dated the 2nd June, 1978, and to say that the State Government has decided to take disciplinary action against the officers responsible for committing irregularities in this case. The departmental enquiry case has been entrusted to the Commissioner, Departmental Enquiry of this State for regular enquiry on 15th April, 1978.

Yours faithfully,
Sd|- R. N. BAIJAL,
*Deputy Secretary to Government.*

**Recommendation**

Since the Strategic roads are sponsored by the Ministry of Defence and are in some cases maintained by the Border Roads Organisation after completion by the State Public Works Departments, Government may examine whether the work of construction of strategic roads may be entrusted to the Border Roads Organisation right from the inception, specially now that the Border Roads do not appear to have enough work to engage their resources.

[S. No. 153 Para 9.79 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

**Action Taken**

The projections for roads required for Defence purposes are made by the Ministry of Defence. These projections are of two categories;

(i) Projections made by General staff on operational grounds.

(ii) Projections made by the Ministry of Defence for strategic requirements other than operational needs.

Border Road Development Board is normally expected to deal with (i) only for which the cost is met from "non-Plan budget". The requirement at (ii) is a "Plan Scheme" and roads covered by it are primarily executed through the agency of State Public Works Departments. Since these involve improvement/new construction of State roads, their maintenance after improvement/new construction is the State's responsibility. However, in respect of certain Strategic roads in Rajasthan, Ministry of Defence decided presumably on consideration of their location/operational importance that those strategic roads be executed through the Border Roads Organisation. Ministry of Defence also decided that strategic roads already completed by the State Public Works Department in Rajasthan should be transferred to Border Roads Development Board for maintenance on account of operational requirements and their location etc. etc. This was an exception made in respect of Rajasthan only; normally, on their completion, strategic roads are maintained by the State Public Works Departments out of State Funds.

At present, in addition to the normal General Staff work, Border Roads Organisation stands entrusted on an agency basis with the execution of 17 nos. Roads, totalling of 965 Kms. under the Strategic Roads Programme at an estimated cost of about Rs. 28.8 crores. It will not be possible for the Border Roads Organisation to take on additional work-load of strategic road works because they are already substantially loaded with their own heavy programme of Border Roads, this Ministry's entrusted programme of sensitive area roads (11 Nos. of roads having length of 844 Kms. in 10 States at an estimated cost of about Rs. 25.05 crores) and Strategic Roads in Rajasthan referred to above. In addition, Border Roads Organisation is also assisting the Indian Roads Construction Corporation in execution of road projects in Middle East and other countries.

This has also been seen by the Ministry of Defence who agree with the views expressed above.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 27-6-1978]

## CHAPTER IV

## CONCLUSIONS OR RECOMMENDATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

### Recommendation

Inspite of heavy shortfalls in the National Highway mileage by the end of the Third Plan and the overwhelming demands from various quarters, both inside and outside Parliament, Government could add, during the Fourth Plan period, only 11 roads with a total length of 4819 Kms. against the proposals to the extent of 32,000 kms. submitted by State Governments in this regard. The Committee are perturbed to note that even these 11 roads were declared as National Highways as late as in 1971-72 i.e. in the third year of the Fourth Plan, with the result that the outlay of Rs. 15 crores earmarked for the new additions during the Fourth Plan remained largely unutilised, the only expenditure having been incurred to the tune of Rs. 2 crores on the on-going works which had already been sanctioned for such roads from the Central funds before take-over of the roads. This speaks volumes about the inept planning of the Roads Organisation, a situation which has not been adequately explained.

[S. No. 8 Para 2.85 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)].

### Action Taken

This recommendation refers to the delay in finalising the declaration of certain roads as National Highways in the 4th Plan. It is submitted in this connection that the declaration of roads as National Highways is not dependant upon the Ministry of Shipping and Transport alone but involves a time consuming process including examination by the Planning Commission and Ministry of Finance and also consultation with Ministry of Railways, Defence and Law. First of all, the Ministry of Shipping and Transport has to know the provision for new addition to the existing N.H. System in a particular plan. This itself takes some time as the finalisation of a Plan document takes considerable time. After the Plan provision is known, States are addressed to send proposals with detailed data re-

garding physical status, cost involved in bringing the proposed roads to N.H. Standards etc. States take quite some time in supplying this data. After receipt of replies from all, the proposals are examined in the Ministry keeping in view the available resources and the criteria laid down for the declaration of roads as National Highways and a list is drawn up for the consideration of Minister of Shipping and Transport, Planning Commission and the Ministry of Finance. Since declaration of a road as a National Highway involves quite a lot of additional financial liability for the Central Government both for Capital and maintenance works in perpetuity these proposals are subjected to very detailed examination in the Planning Commission and the Ministry of Finance. At times, due to change in priorities and financial constraints even the provisions are deleted altogether as happened in the 5th Plan. All this process thus takes considerable time before a road (s) can be declared as a National Highway and this also explains for the delay in the declaration of certain roads as National Highways in the 4th Plan which obviously could not be attributed to any one single Ministry but could be said unavoidable in the interests of proper scrutiny by all concerned. Reference to an expenditure of Rs. 2 crores only is attributable to sudden financial constraints in 1972-73 which did not continue upto the end of the 4th Plan alone but even beyond that.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78- Vol. II dated 19-6-78]

**Recommendation**

What has perturbed the Committee more is the fact that although according to the Audit para the Construction of missing links was given the first priority in the 4th Plan only 3 kms. of missing road links were completed and the work was in progress over a length of 225 kms. against the target of 440 kms. As per information received from the Ministry on 2nd May 1977, the total length of missing links completed upto December 1976, was 111 Kms. The principal bottlenecks in the way of expeditious construction of the missing links have been identified by the Ministry viz. difficulties in acquiring land, difficulties in fixing suitable contractors and financial constraints. The Committee have been informed during evidence that these bottlenecks have been largely overcome and the Roads Wing has been repeatedly writing to the States authorities, including the respective P.W.D. Ministers and Chief Ministers, for early completion of the missing links. Despite all these efforts, the progress has not been satisfactory, as according to the information furnished by the Ministry to the Committee the overall progress on the scheme is 'of

the order of 50 per cent. It has been apprehended that at the present rate of priority in the allocation of funds for missing links, the works are expected to be completed in the first year or so of the Sixth Plan.

[S. No. 14 Para 2.91 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

In this para, the Committee has expressed concern about the slow progress on the work of missing links. It may be pertinent to point out in this connection that the total length of missing links is 440 kms. in the National Highway system obtaining at the beginning of the 4th Plan, that is, on 1-4-1969. In the new National Highways having a length of 4819 kms. which were declared during the 4th Plan period, there are missing links totalling 166 kms. We are at present concentrating on expeditious completion of the first set of missing links, namely, 440 kms, as mentioned above. The work on the second set, namely, 166 kms. will be tackled later.

It may be brought to the notice of the Committee that the construction of missing links is done in a phased manner and in a particular sequence. It involves land acquisition earth work for road embankments, collection of materials, and their laying and consolidation to form the road crust and finally the black topping. In addition, it also involves the construction of cross drainage structure including large number of culverts, major/minor bridges. A missing link cannot be said to have been completed and ready for use unless and until all the above components including the last item of black topping of various section are completed in all respects. It is true that up to the end of the 4th Plan only 3 kms. of missing links were completed in all respects but it is important to remember that the work in the remaining sections of missing links was in various stages of progress as explained above. Another important factor that has adversely affected the progress on these works is financial constraints that were experienced particularly in the later part of 1973 and thereafter.

The progress position reviewed recently (December 1977) shows that 171 kms. of missing links have been completed in all respects and that the remaining length is in various stages of progress. We have been impressing the importance and urgency of the completion of the same to the State P.W.Ds. at various levels including d.o. letters, even at Minister's level, through personal discussions and also during periodical discussions at the Chief Engineers' meetings. Thus

every effort is made to expedite its completion in the shortest possible time. The latest assessment is that the missings links totalling 440 kms. are expected to be completed by June 1981.

[Ministry of Shipping & Transport O.M. No. B—29(1)/78 dated 27-5-1978]

**Recommendation**

One of the items of works where the highway authorities faltered in the matter of missing links was the construction of 16 (out of 17) missing major bridges, out of which only 3 had been completed during the Fourth Plan, with work on the remaining 13 in various stages of progress. The Committee have been informed that as on 31 March, 1976 four more major bridges have since been completed, while two have not yet been sanctioned and one, though sanctioned, has not been started yet. The progress in respect of the remaining 7 bridges ranges between 35 to 76 per cent, except in the case of one *viz.* Bridge across Pamban Strait (originally due for completion during the Fifth Plan), where the progress was 11 per cent. The Committee are unhappy over the slow progress and the long time taken in the completion of the missing major bridges and would like the Government to expedite their completion without further loss of time.

[Sl. No. 16—Para 2.93 of Appendix XIV to 18th Report P.A.C. (6th Lok Sabha)]

**Action taken**

The Committee's observations have been noted. The Government is taking all possible steps to expedite early completion of the remaining missing major bridges included in the 4th Five-Year Plan. It may also be mentioned that periodical reviews are held by senior officers of this Ministry with their counterparts in the State PWDs with the object of expediting the early completion of these bridge works.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B—29(1)/78 dated the 19-6-1978]

**Recommendation**

The Committee are also unable to appreciate the action of the Government in holding in abeyance the sanction of two bridges and to defer the construction of another bridge, particularly when these had been accorded necessary priority for completion during the

Fourth Plan. They would urge the Government to review the position urgently in respect of them with reference to the availability of funds and prepare a time bound programme for their early completion. The Committee would like to be informed of the action taken in this regard.

[Sl. No. 17—Para 2.94 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action taken**

As desired by the Committee, the position of the following three missing bridges has been reviewed and the present position is given below:—

(i) *Bridge across Hungund river on NH* 13, *in Karnataka*: The bridge across Hungund river was sanctioned for Rs. 17.52 lakhs in March 1977 with certain technical comments which should be complied before call of tenders. The Chief Engineer is attending to these and he has informed that tenders are being invited, agency is likely to be fixed by August, and the work is likely to be completed by December 1980.

(ii) *Bridge over river Torsa on NH* 13 *in West Bengal*: This project which also involves realignment of considerable length of NH 31 would require an investment of about Rs. 8 to 9 crores. The site and design features for the bridge have already been settled but the estimate could not be sanctioned and work could be taken up on account of financial constraints. It is proposed to be provided for in the current Five Year Plan 1978-83 subject to availability of funds.

(iii) *Bridge at Govindgarh on NH* 11 *in Rajasthan*: This bridge was deferred due to financial stringency although the estimate for this bridge had been sanctioned earlier. The work has now been taken in hand and is likely to be completed by the end of March, 1979.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B—29(1)/78 Vol. II, dated 19-6-1978]

**Recommendation**

**The Committee are constrained to note that the progress of the road crust works on the 123 Kms. long Arrah-Mohania missing link**

on N.H. No. 30 in Bihar veried from 2 to 27 per cent and that out of 17 bridges on that missing link none had been sanctioned during the Fourth Plan period. The programme on this missing link varies from 15 per cent to 44 per cent on different items, such as Land acquisition, Earth Work, Culverts and Pavements.

On the present reckoning, the road works alone are expected to be completed by June, 1979. The Director General (Roads) has conceded during evidence that he was "not satisfied with the progress on this missing link". The oft-repeated explanations for slow progress are the constraints of financial resources from mid-March, 1973 to March, 1976, obstructions in land acquisition, reluctance of contractors because of abnormal increase in prices and wages in the past 5 years. The Committee consider that all these difficulties could have been averted if the highway authorities had taken sufficient care to take up and commence the execution of the works in the early years of the Fourth Plan. What was lacking was a time-bound programme and the proper phasing of the works within the resources available? But it appears to the Committee that matters were allowed to drift. The Committee would like this aspect to be gone into depth and at the same time urge that all-out efforts should be made to complete the work early and be settling the outstanding issues expeditiously. The Committee expect to be apprised urgently of further action in the matter.

[Sl. No. 18 & 19 of Appendix XIV to 18th Report of P.A.C: (6th Lok Sabha)]

**Action taken**

As already explained, the progress on the Arrah-Mohania missing link on N.H. No. 30 in Bihar in the Fourth Plan period and upto March, 1976 was slow because of the constraint of financial resources and delay in getting the land. The allocation available in the Fourth Plan being inadequate even for improving at the required rate such heavily trafficked roads as National Highways No. 1, 1A, 2, 3, 4, 5, 6, 7, 8, 9, 10, 21, 24, 25, 28, 30 (Patna-Bakhtiarpur) 31, 33, 34, 37, 38, 39, 40, 43, 45; 47 etc. it was difficult to spare a sizeable amount for the Arrah-Mohania missing link where the alternative route was available along the weak narrow and longer State Road between Arrah and Sasaram.

2. The Government are taking all possible steps to expedite completion of the road and bridges and to this end periodical reviews

are held by senior officers of this Ministry with their counterparts in the State P.W.D.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B—29(1)/78 Vol. II, dated the 19-1-1979]

**Recommendation**

In regard to the 17 missing bridges on the Arrah-Mohania missing link, the Committee are concerned to note that they are still in the sanctioning stage, though they were scheduled to be completed in the Fourth Plan period. According to the present expectation, another 5 years would be needed to sanction and execute them. The Committee are led to the inescapable conclusion that these works were neglected in the beginning and are now being pursued at higher level, obviously after the receipt of the Audit para. In order that these are completed expeditiously, the Committee would like the Ministry of Shipping and Transport to draw up, in consultation with the State Chief Engineer P.W.D. a phased time-bound programme, stage-wise, for construction of the bridges and extend all possible assistance to the State authorities to ensure that the programme agreed upon is adhered to strictly. The Committee would like to be informed of the progress made in the matter.

[Sl. No. 20 of Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action taken**

As already explained the delay has been mainly due to constraint of financial resources. The Government are taking all possible steps to expedite completion of all the bridges and to this and targets have been laid down and periodical reviews are held by senior officers of this Ministry with their counterparts in the State P.W.D. The present position of sanction is as under:

| | | |
|---|---|---|
| Total number of bridges | 17 | |
| Number sanctioned & their estimated cost | 12 | Rs. 81·47 lacs. |
| Number to be sanctioned shortly and their estimated cost. | 5 | Rs. 103·17 lacs. |
| Under examination and their cost | | |

As per the latest communication from the P.W.D. all the bridges and, therefore, the whole project are targeted to be completed by December, 1980.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78 Vol. II, dated 19-6-1978]

**Recommendation**

Yet another important instance where unduly long time has been taken in completing a missing link is the 32 mile road link between Kalaghat and Haldia on National Highway 41 in West Bengal which was sanctioned as far back as in July 1969 and according to the Audit para was about two-thirds complete and out of 3 bridges on that missing link one was 30 per cent complete and the other two, though sanctioned in August 1974, had not yet been taken up. Because of delay in completing this missing link not only difficulties were faced in movement of materials for construction of Haldia Port but the development of hinterland was also retarded for not generating the traffic in time. The Committee have been informed during evidence that this work is expected to be completed by March 1978. The main reasons for the delay in the construction has been adduced as delay in acquisition of necessary land for the work, though land Acquisition proceedings were commenced as early as in 1968. The Committee are unable to accept the plea of ignorance of correct position at the time of sanctioning the project estimates and they feel that the system for monitoring the project and the supervision of the respective RO/ELO, to say the least, was wholly inadequate. The result of this heavy delay has been that the work on the road could not be proceeded within time.

[S. No. 21, para 2.98 of Appendix XIV to the 18th Report of P.A.C. (6th Lok Sabha)]

**Action taken**

While sanctioning the project estimates, the Ministry was given the impression that the possession of land had been obtained by the State P.W.D. However, the subsequent reports received from the State P.W.D. revealed that the physical possession of most of the lands had not been received by them because of the resistence from the land owners. This bottleneck as well as the others were reviewed in the various meetings of the Steering Committee for the Haldia Port Project. The matter was further pursued through the Chairman, Calcutta Port Commissioner, the Adviser to the Government during the President's Rule in the State in 1970, and the Chief Secretary Government of West Bengal. The State Chief Minister was also informed about land acquisition difficulties for the NH and he instructed the State Revenue officers to proceed with acquisition at top speed authorising police action if necessary. Ultimately the land could be taken possession of before the end of 1973.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. NHV/Misc/21/78, dated 10th July, 1978]

**Recommendation**

"In regard to the remaining two over-bridges over Mechada and Padampur on the missing link, the Committee would like the Railways to accord necessary priority so that their construction synchronises with the completion of the road. The Committee would like the Ministry of Shipping and Transport to keep a close touch with the Railways in this regard keeping in view the imperative urgency of utilisation of the port facilities created at Haldia at enormous costs and the social and economic benefits that would accrue therefrom to the Country as a whole. The Committee would urge the construction of these works on the missing link without further loss of time. The Committee has also referred to this project in their 33rd Report (Fifth Lok Sabha) on Haldia Dock Project."

[S. No. 22, para 2.99 of the 18th Report of P.A.C. (6th Lok Sabha)]

**Action taken**

Recommendation of the Committee has been noted for guidance/ compliance. Suitable instructions have been issued to all concerned vide this Ministry's letter No. NHV/MISC/3/78, dated the 11th May, 1978 (copy enclosed as annexure).

[Ministry of Shipping and Transport (Roads Wing) O.M. No. NHV/Misc/3/78, dated 17-6-78]

*ANNEXURE*

Government of India

Ministry of Shipping and Transport

(Roads Wing)

TELEGRAMS
*ROADIND*
No. NHV/MISC/3/78

TRANSPORT BHAVAN
1, Parliament Street,
New Delhi the 11th May, 1978

To

1. The Chief Secretary to the Govt., West Bengal, Calcutta.
2. The Secretary, Railway Board, Ministry of Railways, New Delhi.

3. The Chairman,
Calcutta Port Commissioners
Calcutta-1.

Subject: 18th Report of P.A.C. (1977-78) Sixth Lok Sabha.

Sir,

I am directed to say that, with a view to ensuring integrated and timely development of road communications as also other infrastructural facilities, the Public Accounts Committee in Recommendation No. 22, para 2.99 contained in appendix XIV of their 18th Report reproduced below, had desired close coordination between the Port, Union Government and State Authorities:—

"In regard to the remaining two over-bridges over Mechada and Padampur on the missing link, the Committee would like the Railways to accord necessary priority so that their construction synchronises with the completion of the road. The Committee would like the Ministry of Shipping and Transport to keep a close touch with the Railways in this regard keeping in view the imperative urgency of utilisation of the port facilities created at Haldia at enormous costs and the social and economic benefits that would accrue therefrom to the country as a whole. The Committee would urge the construction of these works on the missing link without further loss of time. The Committee has also referred to this project in their 33rd Report (Fifth Lok Sabha) on Haldia Dock Project."

2. It is requested that the recommendation of the Committee may kindly be noted for guidance/compliance.

Yours faithfully
Sd./-
(I. S. Dutt)
Under Secretary to the Government of India

Encl: Nil

Copy forwarded for similar action to:

1. Engineer-in-Chief and Ex-Officio Secretary Public Works Department, Government of West Bengal, Writers Building, Calcutta.
2. The Chief Engineer, P.W.D., Roads Directorate, West Bengal, Calcutta.

3. Regional Officer, M/O Shipping and Transport (Roads Wing) 8, Lindsay Street, 3rd floor Calcutta.

Sd./-
(I. S. Dutt)
Under Secretary to the Government of India.

Encl: Nil.

Copy also forwarded to:
US(B) Transport Wing/US(B) (Roads Wing).

Sd./-
(I. S. Dutt)
Under Secretary to the Government of India

Encl: Nil.

**Recommendation**

The Committee are unhappy to note that as many as 530 National Highway works of the pre-Fourth Plan period were spilled over to the Fourth Plan. While 389 of these works were completed during the Fourth Plan period, the remaining 141 works were further spilled over to the Fifth Plan though 133 of them were targetted for completion during the Fourth Plan period itself. The present position as indicated by the Ministry on 2nd May 1977 is that 60 works are still in progress when the third year of the Fifth Plan is already over. Surprisingly enough, it includes 15 works on which the progress is 50 per cent or less. If precious and limited resources of the country are not to be frittered away, it is imperative that projects once included in the Plan should be executed within the Plan period itself and not allowed to be spilled over thereby adversely affecting the road development programme of the next Plan and escalating the costs of labour and materials. If there are any on-going projects carried over to the next Plan, prudence demands that priority should be given to the completion of such projects over new works. The representative of Planning Commission has also conceded during evidence that "first priority should be given to important spill-over schemes because before taking up a new scheme it is preferable to complete a spill-over scheme on which sufficient investment has already been incurred."

[S. No. 24—(Para 2.101) of Appendix XIV of the 18th Report of the P.A.C. (6th Lok Sabha)]

**Action taken**

Every Five Year Plan for development of Central Sector roads provides for, in the order indicated, completion of (1) the works spilling over from the previous Plan and (2) the works sanctioned

in the first two years of the Plan period. In addition, the Plan attempts to provide for the completion of as many of the works sanctioned in the subsequent three years as permitted by the Plan outlay and by the nature and volume of the works. However, the experience is that the allocations are lower than the requirements with the result the completion gets delayed.

2. Regarding the 141 pre-Fourth Plan National Highway Works it may be mentioned that 109 stand completed and the remaining 32 are targetted for completion by Devember, 1980. Out of these 32 the progress on 14 is more than 80 per cent.

[Ministry of Shipping & Transport (R.W.) O.M. No. B-29(1)/78 Vol. II dated the 4-11-78]

**Recommendation**

The Committee find that most of the delays in the execution of 141 works during the Fourth Plan which were mainly to land acquisition, contractual difficulties and changes in the scope of alignments, design etc. could have been eliminated or reduced to a great extent if the Ministry of Shipping and Transport, in consultation with the State authorities, had completed the preliminaries sufficiently in advance of the actual execution of these works. Since the delays which led to the spill-over to the 5th Plan are of recurring nature, the Committee would like the Ministry to study them in depth so as to take remedial action for future. The Committee except to be informed of the results of such study and action.

[S. No. 25 Para 2.102 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

The Committee has observed that most of the delays in the execution of pre 4th Plan works were mainly due to land acquisition, contractual difficulties, changes in the scope of alignment, design etc. The Committee has suggested that since the delays are of recurring nature, they would like the Ministry to study them in depth so as to take remedial action for future and the Committee expects to be informed of the results of such study and action.

It may be mentioned in this connection that the Ministry is well aware of the causes of delays in the execution of Plan works and takes all possible steps to minimise the delays as soon as these come to their notice. This matter was raised in February 1970 at the meeting of the Consultative Committee of Parliament attached to

the Ministry of Shipping & Transport. As a sequel to their observations, the Government of India constituted an expert Committee headed by the then DG(RD) & Addl. Secretary on 18-3-1970 for suggesting measures to expedite the execution of bridge and road works. Some of the terms of reference of the said Committee were to review the existing procedures and suggest streamlining them in so far as they relate to call of tenders, award of work and scrutiny of designs, study of bottlenecks and suggestions for remedial measures in regard to various problems impeding speedy execution of works, such as land acquisition, supply of essential materials, road building equipment and finalisation of revised extimates of work where excesses occurred during execution. The Committee submitted its report in December, 1972 and suggested various remedial measures for dealing with recurring nature of delays in the execution of Plan projects. The recommendations made by the Committee covered all aspects of delay including those pointed out by the P.A.C. As a follow up action on the recommendations made in the report some circulars have been issued to State P.W.D.s drawing their attention to the urgent need for implementation of some of the recommendations. The report of the Committee was discussed in the meeting of Standing Committee on Roads of the Transport Council held at New Delhi in November 1973. The States were requested to take follow up action on the recommendations contained in the report. A copy of the report was also sent to the Ministry of Finance whose representative also attended the Transport Development Council meeting held in 1973. No comments were, however, received from Ministry of Finance.

One of the important recurring causes of delay as stated in the P.A.C. paragraph is the land acquisition and change in alignment. It will be useful to dilate a little on this subject. During the course of engineering appreciation about the selection of road alignment and subsequent proposal for acquisition of land for the purpose, definite engineering norms are followed. If after the above process has been finalised, estimate sanctioned and the work is put on the ground, a private party through whose land the road alignment is proposed to pass, feels aggreived and goes to the court of law and obtains injunction, the work along the originally approved alignment gets bogged down and no progress can be made until the injunction is got vacated. It will be appreciated that a situation such as this, engineering department including the Ministry is helpless in avoiding the delays.

As for the delays caused by the change in design after the work is sanctioned and put to ground, the primary reason is inadequate

and incomplete ground survey, investigation and sub-soil explorations due to which the design already approved becomes inapplicable. To plug this loophole, Indian Road Congress has recently brought out a Manual for preparation of road projects which the State P.W.Ds have been asked to meticulously follow. A similar guideline in respect of bridge projects is under preparation and is expected to issue shortly.

[Ministry of Shipping & Transport (Roads Wings) O.M. No. B-29(1)|78 Vol. II, dated the 26-6-78]

**Recommendation**

The Audit has pointed out that (i) the majority of Engineers' posts being at Headquarters, not all the recruits have had a posting to the Regional and Liaison Offices before they qualified for promotion to higher level posts and (ii) the officers of the Roads Wing do not normally have opportunity of gaining field experience through periodical mutual exchanges between them and the State Governments. The Committee do not agree with the view of the Ministry that since 60% of the existing officers in the Roads Wing have been appointed through lateral recruitment/deputation there is no need to have a regular arrangement to depute its officers on deputation to the States for gaining field experience.

[S. No. 83 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

This is covered by the reply given against para 5.17.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 7-7-1978].

**Recommendation**

The Committee stress that suitable institutional arrangement should be devised which would make for two-way deputation of officers from the Roads Wing in the interest of ensuring that officers who have the requisite field experience are entrusted with the responsibility of scrutinising the projects and of overseeing their timely completion and what is more of ensuring quality during execution of the works.

This arrangement would also ensure that the points which the Roads Wing desire to be kept in view while carrying out survey and

investigations in the field and preparation of estimates are *ab-initio* complied with by the officers of the Central Government who would be working on deputation with the State authorities. This should facilitate and speed up the work of scrutiny and issue of sanctions.

[S. No. 84 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action taken**

With regard to providing field experience to the officers of the Roads Wing, there is an in built system of training in the organisation itself. Besides transfers from headquarters to Regional Offices and *vice versa*, officers from headquarters are also sent on tours to see and associate themselves with the practical problems and experience of Engineering projects. The field formations have been augmented and these are now better equipped for offering more opportunities to the Roads Wing officers for acquiring practical experience of the projects. Accordingly, it is not considered necessary to send officers of the Roads Wing on deputation to the State Governments for acquiring the practical experience. There is, however, no objection to the State P.W.Ds requisitioning services of the experienced Roads Wing officers for manning their posts to enable adequate and proper survey, investigation and designs being carried out leading to the preparation of realistic and proper estimates. In so far as the State Governments are concerned, they can, if they so desire, send their officers for training in the Roads Wing but it may not be possible to take them on deputation excepting in cases where the services of such an officer may be required to deal with some special type of work. The Recruitment Rules of the Central Engineering Service (Roads) Group 'A' Rules, 1976 enable officers being appointed on deputation basis in such cases.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol II, dated 17-7-78]

**Recommendation**

The Committee find that due to a variety of factors such as absence of proper qualified staff and precise norms for routine testing, quality control on scientific lines has not been receiving the full attention that it deserved. Audit has pointed out a number of instances where the works executed were of substandard qualities because the requisite quality control measures were lacking. The Committee feel that the main reason for this short-coming was that there was not a proper organisation for quality control operations on a regular basis. It is imperative that there should be a separate

Quality Control Cell in each State which should be adequately staffed and properly equipped and charged with the overall responsibility of coordinating quality control measures within that State. The cell should also take stock of the specific problems resolved during the construction of the projects and pass on the essential knowledge of the same to the construction agencies for application in the field.

[S. No. 86 (Para No. 6.26) of Appendix-XIV of 18th Report of the P. A. C. (6th Lok Sabha)]

**Action Taken**

The Ministry has impressed upon the State Governments and the Public Works Departments the need for adequately staffed and properly equipped quality control organisation on various occasions. The matter was again discussed at the meetings of Chief Engineer's held at Hyderabad and Madras in January, 1976 and August, 1976 respectively. At these meetings special emphasis was again laid on creating suitable well organised quality control set up at sufficiently high level to ensure proper quality control. In march 1976 the Ministry also issued consolidated instructions on the subject stressing *inter-alia* the need for creating proper and adequate organisational set up in the States for quality control. As a result of these constant efforts awareness for this is considerably aroused amongst the State Public Works Departments. However, the basic responsibility for creating separate quality control organisation rests with the State Governments who have to consider the financial implications of creating permanent organisation in consultation with their finance.

[Ministry of Shipping and Transport (Road Wing) O. M. No. B-29(1)/78-Vol. II., dated 23-9-78]

**Recommendation**

Contractors have an important role to play in executing the works to the prescribed designs, standards and specifications. In order that the jobs are carried out strictly according to the prescribed specifications, the Committee desire that the terms and conditions of tenders should be reviewed so as to make provision for rigid quality control tests before final payments are made to the contractors. The Committee are given to understand that the Roads Wing is producing a model N.I.T. document which attempt a kind of uniform system of Inviting Tenders based on certain standard conditions so that the problems of the contractors are also taken care

of. This document, though evolved a couple of years ago, is still to be finalised in consultation with the Ministry of Finance and the Comptroller and Auditor General. *The Committee would urge speedy finalization of the document for early implementation.*

[S. No. 95 (Para 6.35) of Appendix to 18th Report of Public Accounts Committee (6th Lok Sabha)]

**Action Taken**

The observation made by the Committee about Government's intention to evolve a model N.I.T. is correct. It may be mentioned that in order to bring about uniformity in regard to tendering practices in the country a Committee of the Chief Engineers in charge of Roads at the Centre and in the States have drafted two documents *viz.* lump-sum contract document; and item rate contract document. These documents were discussed at length at the All India meeting of Chief Engineers and have been endorsed by them. However, in order to ensure that there are no subsequent financial or legal complications in the adoption of these documents, these were referred to the Ministry of Finance for comments and the intention was that when the drafts have been commented upon by the Ministry of Finance, the documents would be referred to the Law Ministry finally for being vetted from the legal point of view. The Ministry of Finance referred the document to the Accountant General, Commerce, Works and Miscellaneous for their views. In view of the very complicated issues involved, the matter was examined very carefully by the A.G., C.W. & M .and their comments on the lump-sum contract document were conveyed to this Ministry in January 1973 which necessitated further examination in consultation with all concerned. In regard to item-rate contract document the A.G., C.W. & M observed that the Planning Commission had undertaken an identical exercise for evolving a contract form and that the A.G., C.W. & M had already examined the item rate contract document in that connection and had sent their comments to the Ministry of Works & Housing. The Accountant General, Commerce, Works & Miscellaneous further added that those comments would hold good in the present case also and that they would, therefore, not offer any other comments on the aforesaid item-rate contract document proposed by the Ministry of Shipping and Transport (Road Wing). The Ministry tried to get a copy of the comments of the A.G., C.W. & M furnished by them to the Ministry of Works & Housing but the latter could not provide a copy as those comments were very voluminous, and the contract form had not yet been finalized by the Ministry of Works & Housing and the entire matter was under the consider-

ation of a Committee set up by them to finalize their contract form in which process they were also to take into account the comments of the A.G., C.W. & M. However, as indicated at the end, another effort is being made to obtain a copy of these comments alongwith a draft of the item rate contract document evolved by the Planning Commission to finalise the item rate contract document also.

In the circumstances and in order to avoid further delay, the Ministry is arranging for a meeting with all concerned to discuss the lump-sum contract document on which the comments of the A.G., C.W.&M. are available and it is hoped to finalize this document soon as a result of that meeting. As that time the representatives of the Ministries of Finance, Law Comptroller and Auditor General and all others are proposed to be invited. Meanwhile, another effort is also being made to obtain from the Ministry of Works and Housing, A.G., C.W.&M's comments on item rate contract document and to hold another meeting to finalize that document also soon.

[Ministry of Shipping and Transport (Road Wing) O. M. No. B-29(1)/78-Vol. II, dated the 23-9-78]

**Recommendation**

The Committee note that during 1962—66 specialised road and bridge building equipments worth Rs. 20.55 crore were purchased out of the Central Funds for the execution of various important projects *viz.*, roads financed by the International Development Association (IDA—1961) the Emergency Road Works (1963) and Lateral Road Project (1963-64). These works were entrusted to the States for execution, and machinery purchased was allotted to those States *viz.*, Assam (Rs. 345.25 lakhs), Bihar (Rs. 609.45 lakhs), Gujarat (Rs. 170 67 lakhs), Maharashtra (Rs. 13.50 lakhs), Orissa (Rs. 52.50 lakhs), Punjab (Rs. 12.24 lakhs), Rajasthan (Rs. 245.95 lakhs), Uttar Pradesh (Rs. 281.54 lakhs) and West Bengal (Rs 323.45 lakhs) for this purpose. The Committee are distressed to find that though a bulk of the machinery was rendered idle on completion or slowing down of the above works due to financial stringency about a decade ago, no concrete or conclusive action had been taken all these years to reallocate the machinery to other States where these could be put to proper use, more particularly for the execution of the National Highways. The Committee have been informed during evidence that a policy decision has now been taken that the Central Government would retain all sophisticated types of equipment worth Rs. 10 crores and the remaining items like road rollers, trucks, boilers etc worth Rs. 9.5 crore would be given to the States against loan assistance. The matter is stated to be under correspondence

with the States. The Committee regret that the Ministry had waited for about a decade before re-allocating the surplus machinery to the States. Even now the question of transferring the ownership to the States remain to be settled. What surprises the Committee is the fact that the machinery acquired at heavy capital cost was allowed to remain unutilised all the years, entailing heavy loss to the Exchequer. *The Committee consider this to be a fit case requiring a thorough probe with a view to fix responsibility.*

[S. N. 99 of (Para 7.45) Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

Mechanisation in road construction was first taken up at the time of execution of IDA works in the year 1961 or so and the project was to be completed within about 3½ years. Similarly, Lateral Road Project and Strategic Road Works were also time-bound projects for completion within a target schedule. Cost of IDA project was about Rs. 50 crores, Emergency Works about Rs. 70 crores, Strategic road works about Rs. 42 crores and LRP (revised) about Rs. 73.3 crores. The total cost of all these projects was about Rs. 235 3 crores. The cost of the machinery purchased for execution of these projects was only Rs. 20.42 crores. The equipment planning was done only for essential items of work and considering the time schedule and other factors like nature of work etc. originally envisaged. The R.B.M.C. felt that the machinery purchased was generally justified. However, due to financial stringency as indicated in the P.A.C. recommendation, the works were slowed down and actual completion of the projects took much longer time. The States could not realistically anticipate the availability of funds and, therefore, the resultant overall surplus machinery to the projects. Further, it would have been difficult to declare them surplus for transferring elsewhere and again get them back later on as and when funds position improve for execution of works in their own State. Therefore, only after the completion of the Project, the States could indicate some surplus machinery. Experience has also shown that the activities on some of the foregoing projects kept on at a varying pace according to financial resources situation till over some prolonged period those were completed. Further, the organisational set-up in the States was not adequate at the time of earlier execution projects so as to realistically work out in detail the requirement of machinery in advance and declare the remaining as surplus.

Still on the basis of surplus items of machinery indicated after the completion of projects, a number of transfer orders were issued

between 1967 and 1969 transferring the equipments to States like Tamilnadu, Andhra Pradesh, Karnataka, Himachal Pradesh etc. for the execution of National Highway works Some machines were also transferred to States like U.P., Punjab, Rajasthan, Gujarat etc. on the basis of additional demands received from them.

However, as the Fourth Plan period commenced, the same marked the stage for activity of sizeable planned development of National Highway system being proceeded with. Accordingly, all the States were requested in June, 1970 to realistically work out the requirement of machinery for Central and Centrally sponsored works, as per the procedure indicated therein, the output norms of the machinery to be assumed etc. By that time, the finalisation of the outlays in the Fourth Five Year Plan period and approval of the Annual Plan for 1969-70 and 1970-71 in respect of National Highways and other Centrally Sponsored works, was already done. The States were, therefore, requested to review the requirement of machinery. A number of reminders were issued to the States and discussions held in the Chief Engineers meetings stressing for furnishing the required information but it was found that the requirement of machinery asked for was received without proper data supporting the demand or by adopting different norms. Therefore, a tentative assessment of requirement was made in the Ministry based on the information available and the surpuls list was sent to all the States in January, 1971 indicating that the transfer orders issued on the basis should be honoured. A number of transfer orders were also issued in 1970, 1971 and 1972.

Subsequently, Ministry had finalised the proforma of utilisation programme in March, 1972 and sent to the States for making advance planning for execution of Central Works and assess the requirement of the machinery for the same. On the basis of surplus indicated by the States and demands received from other States, redistribution of machinery is being done every from 1973.

About 1100 machines were transferred from one State to another, between 1967 and 1978.

Besides the above, a number of machines totalling to about 186 Nos. have also been sold to other Departments between the years 1969 and 1973. These include such machines like mobile cranes, grab dredging cranes etc. which were considered overall surplus to the Ministry, as the contractors for bridge works had arranged their own equipments to a large extent.

The above position would indicate that necessary action possible to re-allocate the machinery to other States for execution of National Highway and other Central works was taken.

In 1973, a policy decision was taken in consultation with the Ministry of Finance to retain the ownership of only heavy and sophisticated items of equipments and dispose minor items to State Governments. Accordingly, a list of such minor items was sent to States in August, 1973 requesting them to send their demand for the same. After vigorously pursuing the matter, demands of the State Governments of Rajasthan, Punjab, Maharashtra, Madhya Pradesh and West Bengal were received for taking over some items of minor equipments, and Ministry accordingly issued orders for sale. The States of Assam, U.P.. Orissa had intimated their unwillingness to acquire these equipments on sale basis. The urgency of the matter to finalise the disposal of minor items of equipment was impressed upon the Chief Engineers in various correspondences, in the Chief Engineers meetings/review meetings etc. The matter is also being pursued demi-officially at the level of Director General (Road Development) with the State Governments for submission of their final requirements, from time to time.

Ministry has already taken a number of actions to improve the utilisation of the euipments. As a result: (i) The States have started making advance planning to work out the requirements of machinery in the form of utilisation programme in the beginning of the year itself. (ii) The organisational set-up has already improved in the States as well as in the Ministry. As many as 11 important States holding the bulk of the Central machinery have now each a Superintending Engineer (Mechanical). (iii) The workshop facilities are being augmented for the satisfactory up-keep of all the Central Machinery. (iv) The maintenance and repair estimates of machinery are being sanctioned from separate grant head, viz.. "M&R Grant of Machinery" so that the availability of funds for attending to repairs has been ensured. The technical sanctions are also being issued by the Regional Offices (Mechanical) directly besides the Ministry using certain delegated powers. (v) The redistribution of machinery is also done every year on the basis of surplus declared by some of the States to other needy States.

With the above action already being taken to utilise all Central machinery the utilisation is expected to continuously keep on improving.

A Road Building Machinery Committee was set-up in 1968 to go into this aspect and had made a number of recommendations in their report finalised in March, 1970. The same have already been accepted by the Ministry and sent to the States for taking implementation action. It will, therefore, be seen that all necessary action possible

has already been taken or is under way to re-allocate the surplus machinery and to ensure improved utilisation.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated 7-8-1978]

**Recommendation**

The Committee would also like the Ministry to identify such of the items of machinery as have not been utilised at all or markedly under-utilised with a view to ascertain the rationale for their initial purchases. The responsibility for purchase of unwanted items may be thoroughly investigated so as to take corrective measures to obviate such purchases in future. **The Committee would like to be informed of the concrete measures taken in pursuance of this recommendation.**

[Sl. No. 104 (para 7.50) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The equipments purchased for the earlier projects were generally earth moving machinery, soil stabilisation equipment, compaction equipments, transport vehicles, bituminous pavement construction equipments, bridge making machinery, and ferry vessels. These are all generally needed for road construction, especially for construction of National Highways, which is different from State roads to proper quality and to complete the works within the tight target schedule originally envisaged. As such, the initial purchase can be considered as rational.

The Road Building Machinery Committee in paras 4.5.4 and 4.5.5 of their Report has identified Howard Soil stabilisers and Russian grab dredging cranes in this connection of P.A.C's observations. All the Howard stabilisers have since been repaired in M/s. Gardenreach Workshop, Calcutta, a Government Organisation These are very useful machines needed for stabilising the soil having low bearing strength, with the addition of lime or cement. The State Chief Engineers have been impressed during discussions for utilisation of these stabilisers for stabilising soil by making use of lime, cement and fly-ash obtained from Thermal Power Stations, etc.

Out of 20 Nos. 1½ cubic yard grab dredging cranes procured 9 Nos. have since been sold to other organisations and the remaining are distributed as under:—

| | |
|---|---|
| Uttar Pradesh | — 8 Nos. |
| Bihar | — 3 Nos. |

Considerable use of these cranes is being made in Uttar Pradesh through the Bridge Corporation set up by State for execution of Central works. A number of bridge works are under execution in Bihar where these are being used.

With regard to 3/4 cubic yard grab dredging cranes, out of 30 Nos. procured for L.R.P., 18 Nos. have already been sold to other organisations. The remaining are distributed as under:—

| | |
|---|---|
| Uttar Pradesh | — 5 Nos. |
| Bihar | — 4 Nos. |
| Assam | — 3 Nos. |

As already stated above, Uttar Pradesh State Bridge Corporation is making considerable use of the grab dredging cranes. A number of bridge works are under execution in Assam and Bihar where these are being used.

R.B.M C. has already examined the necessity for purchase of various road construction machinery for the execution of earlier projects and have indicated in para 2.3 of their report that the machinery purchased was generally justified, considering the time schedule and other factors originally envisaged. The cost of machinery purchased, compared to the projects as a whole ranged from 8.04 to 10 46 per cent, which is meagre compared to the percentage of 10 to 30 per cent observed in other Central Sector organisations like Irrigation and Power Sector Projects. As such, no further investigation than what has already been done by R.B.M.C. would be required.

Ministry has since prescribed a proforma for furnishing the utilisation programme by each State befort the beginning of the financial year. The States have also been requested to calculate the requirement of various items of machinery on the basis of quantum of work sanctioned and the output that can be obtained from each type of equipment. The availabiltiy of surplus machines from such utilisation programmes are considered for transfer to other States who need them for execution of Central works. This Ministry has also prescribed quarterly performance reports for submission by the States to watch the actual extent of utilisation being achieved. Wherever deficiencies are found these are being rectified during inspections and review meetings.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. O.M. No. B-29(1)/78-Vol. II, dated 7-8-1978]

**Recommendation**

The Comptroller and Auditor General in his Reports on States for the year 1973-74 has made a number of observations on the up-keep and utilisation of various items on machinery and equipment in the States. The Committee are perturbed to note that besides a large number of items of machinery lying idle for lack of utilisation programme or under repair for long periods ranging from one year to three years, as in the case of Andhra Pradesh, Gujarat, Karnataka, Punjab, Rajasthan & U.P., there are other irregularities of serious nature, as for example (i) out of 8 hot-mix plants in Gujarat the whereabouts of 2 plants, purchased in August, 1972 were not known (November 1974) (ii) the majority of 27 road rollers imported from Rumania suffered from deficiencies and were not in working order or were lying idle; and (iii) the State Government of Rajasthan had purchased 529 items of machinery for Border Roads valued at Rs. 106.75 lakhs between October 1965 and March 1967 from the open market without informing the Union Ministry. In spite of objections from the Centre, the State P.W.D. continued to make direct purchases and procured another 75 items valued at Rs. 21.95 lakhs between April, 1967 and July 1969. *The Committee would like the Ministry to examine the observations made by the C&AG in his Reports carefully and select cases of glaring irregularities involving money from the Centre for investigation by a Committee of Officers who may be drawn from the Ministry of Shipping & Transport, Ministry of Finance, Border Roads Organisation and the State authorities etc. The Committee would like to be informed within six months about the action taken in pursuance of this recommendation.*

[Sl. No. 121 of para 7.67 of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha)]

**Action Taken**

This recommendation has been made on the basis of the observation made in the supplementary reports of C&AG for the year 1973-74 regarding utilisation of items of Road Building Machinery in the States of Andhra Pradesh, Bihar, Gujarat, Karnataka, Maharashtra, Punjab, Rajasthan and Uttar Pradesh. The supplementary reports of these States have not been received in this Ministry and therefore these reports could not be examined so far. However, copies of the reports of all the States mentioned above except Punjab have now been obtained from the office of the Comptroller and Auditor General, New Delhi and the portion relevant to this recommendation under consideration have been examined. As

per suggestion of C&A.G.'s office, an effort was made to get the report of Punjab from "Kitab Mahal", where Govt. of India's publications are sold. Here again it was not available, as it is mainly a report on the State. Therefore, a letter has been issued to the State A.G. to furnish a copy of the same. Our regional officer at Chandigarh has also been requested to obtain the copy expeditiously.

The reports on States by C&AG contain a number of observations on the up-keep and utilisation of machinery in the States. It is seen that some of the equipments owned by the States also figure therein, besides the central machinery. Regarding Central machinery, Ministry was already taken various remedial measures to improve utilisation and up-keep as indicated in the action taken note separately submitted to P.A.C. against different recommendations.

The other irregularities of serious nature figured in the reports of the States and the action taken by the Ministry, State-wise is detailed below.

*ANDHRA PRADESH*

Extra expenditure has been incurred by the State against purchase of a Paver Finisher ordered in November, 1971. Para 7.5 (ii) in Page 56 of the State Report refers.

The Paver Finisher under consideration has been ordered by the State P.W.D. from State funds, and does not concern this Ministry.

*BIHAR*

In para 1.6.2 of Page 61 of the State report, it has been mentioned that the Divisions in the State did not keep proper accounts of ownership and operational components of hire charges of Central machinery recovered from works. In the absence of proper records, the Divisions could not ensure that the total expenditure on maintenance and repairs of machine was limited to the amount adjusted as "Operational Charges". These charges were not also adjusted in time. Considerable amount was also spent out of State Funds on the maintenance of Central machinery.

Ministry had issued instructions regarding calculation and accounting of hire charges as far back as in 1964 *vide* letter No. IDA W-25(10)|63, dated 8th October, 1964 and other subsequent letters in the year 1965, 1966 and 1968 when I.D.A., L.R.P. and Strategic Road Works were being executed. Whenever equipments of these projects were transferred to other States for use on

National Highways works, a reference of such instructions were made in the transfer orders so that the same may be adopted in the transferree State also. On the basis of recommendation of the R.B.M.C. slightly modified instructions have been issued *vide* letter No. RM-21(3)/75, dated 4th April, 1976. According to this, entire ownership and operational charges are to be credited to the Central Head of Account indicated therein. Ministry is giving the funds separately for maintenance and repairs of Central machinery from a separate Budget grant (M&R) of machinery. State has also been asked to look into the past credits and take action to properly adjust them.

This question was also examined by the Road Building Machinery Committee set up by Govt. of India and recommendations of that Committee were also communicated to the States for taking implementation action.

*GUJARAT*

In para 10.3 at page 102 of State Report, it is mentioned that at the beginning of the 4th Plan, there were 6 Hot Mix Plants. In addition, 2 more plants were purchased in August, 1972. Out of the total 8 plants, whereabout of 2 plants were not available (November, 1974).

All these 8 plants were procured from State funds by the State P.W.D. and therefore, this Ministry is not concerned.

*KARNATAKA*

In para 6.1 (c) at Page 174 of the State report, it is mentioned that for supplying crushed stones for Hot Mix Plants 3 Stone Crushers costing in all Rs. 1.90 lakhs were supplied during June 1974 to October 1974 against orders placed in October 1973. None of them has been commissioned so far (August, 1975).

All the Stone Crushers are state machinery and therefore, this Ministry is not concerned. We have only released funds for the procurement of one Stone Crusher in 1973 against loan assistance proposals received from the State P.W.D. As such, this Ministry is not concerned in this connection.

*MAHARASHTRA*

It is indicated at para 11.8 of page 113 of the State Report that in 1965-66 Government of India permitted import from Rumania

of 27 Road Rollers through a firm in Calcutta. Orders accordingly were placed in 1966 by the Department. The Road Rollers were received in 1966-67.

The performance of Road Rollers fell short of the standards both in terms of number of days worked and consolidation done. The rollers suffered from deficiencies and were not in working order were lying idle.

As per Ministry's record, there are only 11 road rollers allotted to the State procured out of Central funds. These were arranged for the execution of I.D.A. works. The State P.W.D. has indicated even in the latest physical verfication report sent *vide* their letter dated 25th November, 1976 that only 12 Central road rollers are available in the State. The discrepancy of one roller is being reconciled. We have however released loan assistance for procurement of 15 indigenous rollers in the year 1973-74.

In view of the above, it appears that all these Rumanian rollers belong to the State Government and does not concern with this Ministry. Obviously, this Ministry had been associated only for such assistance such as release of E.E. in importing Rumania rollers.

*PUNJAB*

As indicated above, the copy of the report pertaining to this State is yet to be obtained, for detailed examination. However, it is seen from page 196 of the 18th report (6th Lok Sabha) of the P.A.C. 1977-78 that the main observations are the unsatisfactory utilisation of the road making machinery. No serious irregularities have been indicated.

*RAJASTHAN*

(i) In para 4.4 of page 100 of the State Report, it has been brought out that the State Govt. procured 529 items of machinery (required for Border Roads) valued at Rs. 106.57 lakhs between October, 1965 and March, 1967 from the open market without informing the Union Ministry. In spite of objections from the Centre the State P.W.D. continued to make direct purchases and procured another 75 items valued at Rs. 21.94 lakhs between April, 1967—July, 1969. Justification for excess purchases and high prices paid for purchases made from the open market compared with the rate of O.G.S.&D could not be ascertained as relevant papers were not available.

The State Government has already been informed in various correspondence that the Ministry is not concerned with the Director purchases made by the State Government without Ministry's approval. Such machinery purchased directly by them therefore belonged to the State and not to the Central Government and for the expenditure incurred, if any on this account should not be debited to Ministry's purchases estimate and had to be written back to the State account by the State. On the above lines, State Accountant General was already addressed *vide* letter No. RM-6(7)/69 dated 24-7-1976 and in subsequent correspondence, to take necessary action for use on Border Roads, 6 items were not put to use at all. Para crores debited by Rajasthan P.W.D. against sanctioned job No. of the Centre. The State A.G. is taking necessary action in this connection.

(ii) Out of 90 items of machinery transferred from other States to Rajasthan between August, 1967 and March, 1968 by the Ministry for use on Border Roads, 65 items were not put to use at all. Para 4.7 at page 103 of the State Report refers.

A number of action have already been taken to improve utilisation of Central machinery in the State, as already indicated in the various "action taken note" prepared against other recommendations of the P.A.C. It may also be mentioned that this Ministry's regional S.E.(M) with supporting staff has since been posted at Jaipur to closely keep liaison with the State P.W.D. to improve the matters. Discussions are also being held with the State P.W.D. officers, periodically in this connection. Transfer orders have also been issued if some of the machines are not required in Rajasthan on the basis of demands received from other States.

(iii) In para 4.8 at page 103 of the State report, it is mentioned that items such as trucks, tractors, jeeps, road rollers etc. worth Rs. 58.75 lakhs were supplied to various contractors between December, 1966 and June 1969 on hire purchase basis by various projects Divisions without obtaining prior approval of Government of India which had paid for the machinery. A number of deficiencies from the terms and conditions stipulated were noticed, such as interest was not recovered from some contractors for some trucks, value of machinery exceeded 10 per cent of the tendered cost of the work, less recovery of the amount and interest etc.

As already mentioned in the State report, the approval of the Government of India which had paid for the machinery was not obtained for giving them to contractors on hire purchase basis, it

is also not clear whether all the machinery under consideration pertains to the Government of India, or to the State procured against State funds. It is also not clear whether the Centre's interest has been adversely affected by giving the machinery to contractors on hire purchase basis.

(iv) Reduced rate of hire charges were charged for use of machinery during the period May, 1968 to March, 1969, but the loss on this account was not worked out nor was any responsibility fixed for the same.

It was not clear from available records whether during the period the expenditure on repairs and replacements, including wages of drivers etc. had been borne by contractors.

Expenditure incurred on repairs, maintenance and operation of the machinery and the hire charges earned from contractors were debited and credited respectively to concerned estimates. No Centralised record was available to show for each item of machinery, the expenditure incurred on repairs, maintenance etc. and hire charges realised. In respect of machinery other than road rollers, Rs. 9.66 lacs were earned as hire charges between 1967-68 and 1971-72, and Rs. 22.23 lacs were spent on repairs, replacement etc. on these items of machinery from 1967-68 till 1972-73. Thus expenditure on repairs, maintenance etc. exceeded revenue by Rs. 12.57 lakhs.

Para 4.9 at pages 104-105 of the State report refers.

As already indicated in the State report, the guidelines for calculation and aoccounting of the hire charges for use on Central machines was communicated to the State P.W.D. for adoption as early as in 1966. State was also addressed to properly account for the hire charges of the machinery from the time of receipt of Central equipments in the State P.W.D. The State P.W.D. did not indicate any difficulty to the Ministry, for calculation and accounting of hire charges as per guidelines issued by the Ministry and did not obtain Ministry's approval for adopting different rates of hire charges. In case State P.W.D. has incurred more expenditure on repairs, maintenance and operation on machinery than prescribed, the cost of the works is bound to exceed and therefore, the State P.W.D. would have to come to the Ministry for revision of the estimates. This point would then be examined. Further it will be very difficult to examine the matter in depth, as it has been indicated in the State report that no centralised record was available

to show for each item of machinery, expenditure incurred on repairs, maintenance etc. and the hire charges realised.

(v) In para 4.11 at pages 106-107 of State Report , it is indicated that machinery received by the State P.W.D. and not in use was lying inopen at various places, as no shelters had been provided for their proper storage.

This Ministry had already asked the State P.W.D. to send estimates for construction of sheds, but only for those machinery belonging to Government of India, and deleting such items of machinery which has become beyond economical repairs, and therefor would not require storage arrangements. Such a modified estimate is still awaited for Ministry's consideraton.

(vi) In para 4.10 at pages 105-106 of the State report, it has been mentioned that the State Public Works Department did not furnish complete information on certain vital points relevant to the enquiry conducted by Govt. of India, Ministry of Transport even though this enquiry was made on the request of Government of Rajasthan. Such information include, the non-furnishing of places and agencies for carrying out repairs of machinery, details of repairs and bills thereof paid to outside agency, hours worked by machines before and after repairs, details of machinery issued to contractors and the period of their use, deficiencies noticed at the time of return of trucks by the contractor, and the amounts spent thereon after return etc. The Committee, therefore, suggested a further and detailed probe in the matter. The State Government in turn referred the case to their anti-corruption department in July, 1974. State Government later informed the Ministry in October, 1976 that concerned officers have been charge-sheeted. State Govt. has now again been requested *vide* Ministry's telegram dated 18-5-1978 to intimate the result of action initiated against the officers responsible for the irregularities concerning machinery items. Since the matter is already under active consideration of State Govt. covering serious irregularities in the use of Road Making Machinery, it is felt that another investigation by a Committee of officers as suggested in the PAC recommendation under consideration may not be necessary. It will not be out of place to mention that the area in which the strategic Roads were constructed, had no road system at all earlier. The same was not approachable even by Jeeps with four wheeled drives and special gears as they could not negotiate on some of the sandy hills in existence in that area. The staff worked at the risk of their life as if the transport failed, death was certain on account of non-availability of any other transport, water, food and shelter. This is only to bring out that the Strategic Roads were constructed in such highly rugged and very severed conditions.

The blowing of sand from the sand dunes affect the performance of the engines specially the air filters, track and other parts to a considerable extent. This reduces the normal life expactancy and increases the repair and maintenance cost as compared to the normal working conditions.

In spite of the above difficulties, approximately 2125 km. (1320 miles) length of road was constructed and it is understood that the expenditure incurred was only of the about Rs. 1.0 lakh/Kilometre (Rs. 1.6 lakhs/mile) which can be considered as modest.

**Uttar Pradesh**

Para 2.8.03 at page 102 of State Report. During the fourth Plan period, a number of rollers, trucks, tractors, jeeps, Hot Mix Plants Pavers, Bitumen Tanker etc. were purchased at a cost of Rs. 304.76 lakhs, but no consolidated list of items received, commissioned and put to use was available. A scrutiny in July, 1975 of the records of the Mechanical Division at Lucknow showed that a number of rollers and other items of machinery, all valued at Rs. 41.75 lakhs were lying idle with the Division since 1973-74, as orders for their transfer to working Division were awaited.

During the 4th Plan period, Ministry has not sanctioned any other equipments except bituminous pavement construction equipment and all of them were sanctioned by the Ministry in consultation with the Finance, and procured through the forum of D.G.S.&D. Obviously the machinery under consideration in this para is the State machinery and therefore, this Ministry is not concerned.

(ii) A review of account of 3 Mechanical Divisions dealing with National Highways showed that till November, 1974, 40.81 lakhs had been realised as ownership charges but only Rs. 25.50 lakhs had been credited to Central Head of Account and the balance is lying in deposit with the Divisions. Similarly Rs 58.83 lacs had been recovered as operational charges while the Divisions have spent Rs. 101.92 lacs on the maintenance and upkeep of these machines. No action has been taken to analyse the shortfall in recovery of operational charges.

Ministry has already given clear guidelines regarding the procedure to be adopted for calculating and accounting of hire charges from the time of receipt of the machines for L.R.P. to the State

P.W.D. *vide* Ministry's letter No. W-VII-1 (4)65|dated 1-9-65 and subsequent letters. Modified Head of Account has also been indicated in our letter No. RM-21(3)/75 dated 4-6-1976. It is expected that the State P.W.D. would maintain proper account of hire charges components recovered and credit them to the Central Head of Account, specified by the Ministry. State has been requested again to arrange recovery of old arrears.

*General*

From the above, it may be seen that except for the observations on the upkeep and utilisation of various items of central machinery given to the States, some irregularities of serious nature involving money from the Centre has only been noticed in the State of Rajasthan. This Ministry has not given approval for any of the action taken by the State P.W.D. resulting in these irregularities. Already one preliminary enquiry has been conducted on the main points of the irregularities by a Committee consisting of the Ministry's Chief Engineer (Mech.) and the Chief Engineer (Roads). This Committee suggested to the State Government a further and detailed probe in the matter, as complete information on certain vital points relevant to the enquiry were not made available to them. As a result of this, the State Government referred the case to the State anti-corruption Department. State Anti-corruption Department in turn, after their enquiry, advised the State Government to take departmental action against the defaulters involved. Accordingly, Chief Engineer, State PWD conducted departmental enquiry and submitted his report to State Government. While the State Government have intimated that concerned officers have been charge-sheeted, Ministry's views in this departmental enquiry have also been communicated to the State Government for considering appropriate action. The further progress in the matter has been called for from the State and same is awaited.

In view of this, it is felt that investigation by another Committee would not be necessary at present.

[Ministry of Shipping & Transport (Roads Wing) O.M. No. B-29(1)/78 dated 7 June 1978]

**Recommendation**

The Committee find that Government had constituted a Road Building Machinery Committee in October 1968 to go into the whole question of road building machinery from the stage of planning of procurement and purchase, to its utilisation, operation, maintenance etc., It is regrettable that though the Committee submitted its Re-

port in 1970, action has still not been completed on several of its recommendations. Out of the seven years taken so far in the consideration/implementation of the recommendations, the Committee find that about two years were taken by the Ministry of Shipping and Transport itself to formulate their views on the recommendations and about three years (from July 1972 to May 1975) were taken by the Ministry of Finance to concur in these views. The Committee have no satisfactory explanations from these Ministries for taking such a long time to consider and concur in the recommendations and would like them to identify the reasons for the same so as to streamline the procedure in this regard and at least obviate such heavy and costly delays in the future. *The Committee would like to be informed of the specific action taken in pursuance of this recommendation.*

[S. No. 122 (Para 7.68) of Appendix XIV to 18th Report of P.A.C. (6th Lok Sabha) ]

**Action Taken**

Road Building Machinery Committee submitted its Report on 31st March, 1970. That Committee had given the recommendations on various aspects of road building machinery, involving financial implications, budget matters, policy matters etc., and therefore, these were required to be examined in depth in consultation with all concerned officers in the Ministry and getting the same approved from Minister. As such, each of the recommendations and its implications in all aspects were studied carefully, before the Ministry's views were formulated and therefore, these could be sent to Ministry of Finance DGS & D etc., only in 1972.

As most of the recommendations had financial implications and involved policy matters, it was essential for the Ministry of Finance also to study them in detail, and also consult other Departments like Ministry of Supply, Department of Revenue and Expenditure, etc, for their views. There were mutual discussions between the Ministry of Shipping and Transport (Roads Wing) and Ministry of Finance three times, for clarifications of doubtful points to enable us to arrive at mutually acceptable solutions.

As no officer could be exclusively deputed to study this Report and examine the recommendations due to economy reasons, there has been some avoidable delay, and efforts will be made to eliminate delays in future, in such cases, as far as possible.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)/78-Vol. II, dated the 18-2-1978 ]

## CHAPTER V

## CONCLUSIONS OR RECOMMENDATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

### Recommendation

Since the road construction in the present day calls for an expertise and technical know-how in soil mechanics, traffic and transportation engineering, bridge engineering, etc., it appears desirable to have a single full-fledged organisation in each State to deal with the specialised job of National Highway construction. Expertise should be developed in planning, designs, surveys and investigations, materials and plants, contracts and specifications, quality control, progress monitoring and evaluation etc., to ensure more efficient design, construction and maintenance of the highways. The Committee suggest that the Roads Wing may evolve a model set-up for handling the construction and maintenance of National Highways and other central road projects in the States and Union Territories more efficiently and economically. The Committee would like to be informed of the specific action taken in pursurance of these recommendations.

[S. No. 43 of Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha)]

### Action Taken

The Committee's recommendations for developing expertise in planning, designs, surveys and investigations, materials and plants, contracts and specifications, quality control, progress, monitoring and evaluation etc., a single full-fledged organisation in each State to deal with the specialised job of National Highway construction to ensure more efficient design, construction and maintenance of the highways is noted. The Ministry have been pursuing with the States since 1967 for setting up exclusive organisations for handling National Highway works including separate set up for survey, investigation and project preparation and for ensuring quality control of the works. So far some States have set up exclusive organisation with separate units for handling design, survey and investigation etc. The model set-up suggested by the Committee will be evolved and finalised in consultation with the State authorities who have to implement the proposals ultimately. It may be however mentioned

that even if a model set up is evolved, the quantum of personnel under various units will differ from State to State depending on the size of the State and the volume of work involved annually.

[Ministry of Shipping & Transport (Roads Wing) O.M.No. B-29 (1)/78-Vol. II., dated 17-7-78]

**Recommendation**

The Committee feels that the most important aspect of strengthening the laboratories is to ensure that they are not only adequately equipped but staffed with experts/technicians of the requisite disciplines with field experience of road construction. It is pertinent to recall that the Director, Central Road Research Institute is of the view that the State Laboratories should not be devoid of civil engineering competency and efforts should be made to attract high ranking civil engineering graduates passing from Universities and Indian institute of Technology. The Committee would like this matter to be gone into in depth with a view to devise adequate incentives to attract and keeping promissing civil engineers attached to laboratories for a period of at least 4 to 5 years.

[S. No. 90 (Para No. 6.30) of Appendix XIV of 18th Report of PAC (6th Lok Sabha)]

**Action Taken**

The matter of attracting meritorious engineering graduates to the testing laboratories has been under consideration of the Government for quite some time. In July, 1977 Ministry had covened a meeting between Ministry's Officers, CRRI and representative State P.W.D. Chief Engineers to consider the question of attracting meritorious officers and staff to testing laboratories. As a result of this discussion it was decided that incentives in the form of special pay/advance increments and training within the country and abroad may be offered to attract staff of suitable calibres. Later, the matter was also discussed at the fourteenth meeting of the Transport Development Council held at New Delhi on the 24th September, 1977, when it was recommended that necessary incentives by way of appropriate chances of promotion, special allowances etc. need to be provided to attract right type of persons to research laboratories. The Ministry has since written to the State Chief Engineers to consider this and take up the matter of getting sanction for special pays etc. with their governments and apprise us of the action taken. At the Central

Government level also, also, several incentive training schemes are under consideration.

[Ministry of Shipping & Transport (Roads Wing) O.M.No. B-29-(1)/78-Vol. II dated 26-6-78]

**Recommendation**

The Committee further note from the information furnished by the Ministry that of the total of 61 recommendations, the Ministry States have so far accepted 53 recommendations and the remaining 8 are still under various stages of consideration. Of the 53 recommendations accepted, 37 have since been implemented and out of remaining 16 recommendations, 2 are yet to be implemented by the Ministry and 14 by the States. *The Committee need hardly emphasise that conclusive action on the remaining recommendations, not yet accepted or not yet implemented should be taken without further delay and the Committee informed.*

[S. No.123 (Para 7.69) of Appendix XIV to 18th Report of PAC (6th Lok Sabha)]

**Action taken by the Government.**

There are 3 recommendations of RBMC on which action is in progress in the Ministry. They are as under:—

**R.B.M.C. recommendation No. 4.9.15**

This recommendation deals with the proposal for establishment of more workshop facilities. Recently E.F.C. has approved the procurement of 20 Nos. Mobile workshops and the sanction is under issue. The action to procure them by placing indent on DGS&D is being taken.

Regarding the proposal for establishment of 6 Nos. Central and 9 Nos. Divisional Workshops, E.F.C. has agreed in principle for their establishment but before giving final clearance, asked for further information regarding their proposed location. Information in this respect is being obtained from concerned States.

**R.B.M.C. recommendation No. 5.27.7**

This recommendation deals with the accounting procedure for charging the cost of spare parts initially or otherwise, to a separate Head of Account. Information in this regard has been received from all organisations except CPWD. The matter is being pursued to obtain the information from them also. A decision in this regard

will be taken after receipt of the information in consultation with Finance.

**Recommendation No. 8.12.5**

This recommendation pertains to attachment of a Senior Accounts Officer with supporting staff with Chief Engineer (Mech.) in the Ministry. The proposal in this regard has already been made and is with Ministry of Finance for taking final decision.

The implementation action on all the remaining 14 recommendations is to be taken by the States for which the matter has already been taken up by the Ministry and will be pursued further.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)/78-Vol. II dated 19-7-78]

**Recommendation**

The Committee note that in June 1973 Government has decided to establish Bitumen Marketing Corporation for marketing of the bitumen produced in the country with the specific responsibility of promoting sales of bitumen in a phased programme as recommended by the Committee on conversion of Bitumen Distribution (1972). That Committee in its report had also recommended the setting up of such an organisation to undertake the burden and responsibility of making all the arrangements necessary for receiving and handling bulk bitumen. The proposed Corporation was registered in March, 1974 at a cost of Rs. 1.86 lakhs. According to the Ministry of Petroleum and Chemicals the whole question of functioning of the Corporation needs rethinking in view of the new developments, such as (i) taking over of Oil Companies and consequently confinement of production of bitumen by Oil Companies in the public sector, (ii) availability of steel sheets for drums indigenously and consequent reduction in involvement of foreign exchange, and (iii) fall in consumption of bitumen due to increase in its prices on account of oil crisis. The Committee would like to be informed within six months of the decision taken in this regard.

[S. No. 126 (Para 8.32) of Appendix XIV to 18th Report of the P.A.C. (6th Lok Sabha)]

**Action Taken**

The reply received from the Ministry of Petroleum, Chemicals & Fertilizers (Deptt of Petroleum) is reproduced below:—

The work of monitoring and reviewing the progress of sales of bulk bitumen in consultation with all concerned has been entrusted to the Oil Coordination Committee. The said Committee had set up a Working Group which submitted its Report in October, 1977, The whole matter including the recommendations of the Working Group has been followed up in the meeting of Chief Engineers as well as in a meeting taken by the Ministry of Petroleum, Chemicals & Fertilizers with others in June 1978. The State Governments have also been advised to examine the matter on a priority basis in the light of these discussions. The final decision on the Bitumen Marketing Corporation will be taken in the light of the further progress made as a result of these efforts.

[Ministry of Shipping and Transport (Roads Wing) O. M. No. B-29(1)|78-Vol. II, dated 6-9-78]

**Recommendation**

According to the information furnised to the Committee, some small stretches of the road and bridges are still to be completed in Assam. The Committee learn from the C & AG's report relating to Assam for the year 1973-74, that four minor bridges are incomplete because of the death of the contractor in one case and non-finalisation of the revised estimates and allotment of funds in the remaining three cases. *The Committee need hardly stress that all the outstanding issues should be settled with the Government of Assam so that the construction of the remaining stretches of the road and bridges can proceed expeditiously and completed without further delay.*

[Sl. No. 133 (Para 9.19) of the Appendix XIV to the 18th Report of the PAC (6th Lok Sabha)]

**Action Taken**

The Assam Government reported that only 13 works costing about Rs. 31.00 lacs were yet to be completed. It was decided in September 76 to finance all these works from the Central Road Fund (Allocations). While intimating these 13 works, the State Government intimated that all the major, medium and minor bridges except 5 minor bridges in Section III (Kachugaon-Sidli road) of Lateral Road in Assam had already been completed and the remaining works were in various stages of progress. Further, the road work on all the 87 Kms. had been completed except for short stretches, approaches to bridges|culverts aggregating to a total length of 5 Kms. which could not be completed earlier due to various constructional difficulties including procurement of essential

materials like cement and steel as also due to difficulties in procurement of Railway wagons. However, the road was opened to traffic with the help of temporary diversions.

2. Out of the aforesaid 13 works, this Ministry have so far received estimates for 12 works costing Rs. 28,33,672|- from Assam Government. Of these, 10 estimates costing Rs. 21,98,672 have already been approved from the Central Road Fund (Allocations) Account and remaining estimates are expected to be cleared soon. The State Chief Engineer has intimated that all these ten approved works have since been completed (copy enclosed as annexure.) The State Government has been requested to complete the remaining works also with utmost urgency.

[Ministry of Shipping and Transport (Road Wing) O.M. No. B-29(1)|78-Vol. II, dated 27-6-1978]

*Annexure*

Office of the Chief Engineer
P.W.D. Assam
D. O. No. BRD(LR)Rd.63|77|15
Dated the 4th May, 1978

S. S. Chowdhury,
Addl. Chief Engineer, P.W.D.,
Western Zone, Assam,
Chandmari, Gauhati-3.

Dear Sri Sehra,

Kindly refer to Ministry's letter No. CRF|AS|18|W dated 15-4-78 regarding "Construction of remaining works on L.R. in Assam approved from CRF (Allocation) account in Assam". After checking up this matter at this end it is found that the estimate for Sl. 6 was duly submitted to the Ministry of Govt. of Assam *vide* their letter No. BRD. 82|75|Pt.-4, dated 2-12-1976 Ministry's observations on this were also communicated to us under M.O.T.'s letter No. CRF/AS/7/W dt. 28-1-77. These observations were replied to under this office letter No. BRD(LR)Rd. 73|86|38 dt. 31-10-77, a copy of which was again sent enclosed under this office letter No. BRD (LR) Rd. 73/76/42 dated 20.3.78 in response to Ministry's letter No. CRD/AS/7/W dated 25-2-78. Another copy of the same is again enclosed herewith for necessary action. It could, not therefore, be understood as to why a copy of the estimate is again wanted by the Ministry.

In regard to the estimate for serial 8, copy of the same is being collected from Field Officer which will be transmitted to the Ministry as expiditiously as possible.

Effective steps have been taken to accelerate the progress of the sanctioned works all of which have since been completed including all the 5 (five) Nos. incomplete R. C. C. bridges. These have also since been opened to traffic.

With regards,

Yours sincerely,

Sd|-

(S. S. Chowdhury)

Shri P. T. Sehra,
Chief Engineer,
M|O Shipping & Transport
Transport, No. 1, Parliament Street,
New Delhi-1.

Recommendation

The Committee are distressed to note that besides taking a long time of over a decade in the completion of the Lateral Road Project, there were other irregularities and discrepancies which have come to the notice of Audit. As for example, excess expenditure has been incurred by the States—Assam, Bihar etc. In Assam expenditure upto March 1974 on 34 minor bridges, formation of work covered by 4 jobs, establishment of soil testing laboratory etc. and construction of an inspection bungalow at Bongiagoan was Rs. 486.17 lakhs against the estimate of Rs. 259.45 lakhs. Similarly, in case of Bihar, the estimated expenditure of Rs. 255 lakhs on Araria-Bhadurganj Section (52 miles) and Rs. 6.66 lakhs on culverts was exceeded by 53 per cent and 26 per cent respectively. The excess in actual expenditure indicated that the original estimate in the case of Araria-Bhadurganj Section was not prepared after full survey and investigations. In Uttar Pradesh, a medium bridge at mile 9 of Pilibhit-Puranpur Section, scheduled to be completed in 1969 at a cost of Rs. 5.04 lakhs was ultimately completed in March, 1973 at a cost of Rs. 6 lakhs.

[Sl. No. 135 (para 9.21) of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha).]

*Action taken*

The observations of the Committee have been noted and the matte is being pursued with the State Governments concerned who were the executing agency of the Lateral Road Project.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78—Vol. II, dated the 22 August 1978 ]

Recommendation

As regards the quality of work done, the Committee note that there was considerable damages done to some road stretches in the States and heavy expenditure was incurred on their repairs. In Assam, the Chief Engineer had inspected the road in August, 1974 and had found heavy damage to the sub-grade and surface of the road. Almost the whole road was found to be covered with big pitholes. In Bihar, while the road was still incomplete, flood damage repairs costing Rs. 21.74 lakhs were undertaken in 1968-69, 1971-72 and 1972-73. It is reported that cement costing Rs. 1.24 lakhs supplied by a firm in October and November, 1969 was found to be substandard after it was used in the construction of bridges. The work had to be dismentled and re-done at a cost of Rs. 1.38 lakhs. Even though the road work was completed in January, 1973, materials worth Rs. 4.13 lakhs were not utilised (November 1974), nor physically verified. In the case of bridge across river Kankail, there was a delay of about 3 years in completion. Though the delay was attributed to the contractor, no penalty was levied on him. In Uttar Pradesh, the bridge over river Ghagar near Zalimnagar though constructed in 1968 at a cost of Rs. 436.35 lakhs in July, 1968, showed cracks in the bulbs of the beams over their entire length due to substandard concreting. In Pilibhit-Ruranpur Section two wells had been sunk at a cost of Rs. 0.28 lakhs for the construction of a bridge at mile 9. These wells were found unsuitable for the finally approved design of the bridge and were abondoned. It is reported that during the construction of the Lateral Roads Rs. 1.74 crores were spent on its repairs. During the rains of 1971 extensive damage was caused to the road in the Bareilly-Bahraich Section for the restoration of which Rs. 4.57 lakhs were spent.

[S. No. 136 (para 9.22) of the Appendix XIV to 18th Report of Public Accounts Committee (6th Lok Sabha).]

Action taken

The observations of the Committee have been noted and the matter has been taken up with the State Governments concerned who

were the executing agency of the Lateral Road. The road is, however, now complete and trafficworthy.

[Ministry of Shipping and Transport (Roads Wing) O.M. No. B-29(1)|78-Vol. II, dated the 22-8-1978]

P. V. NARASIMHA RAO,

*Chairman,*

*Public Accounts Committee.*

NEW DELHI;

*February* 22, 1979.

*Phalguna* 3, 1900 (*S*).

## APPENDIX

*Statement of Conclusions or Recommendations*

| Sl. No. | Para No. of the Report | Ministry/Deptt. Concereed | Conclusion or Recommendations |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| 1 | 1.6 | Shipping and Transport (Roads Wing) | The Committee are not convinced by the argument put forth by the Ministry of Shipping and Transport that the declaration of State roads as National Highways takes considerable time since it is not dependent upon the Ministry alone but also involves a time-consuming process, including examination by the Planning Commission and the Ministry of Finance and also consultation with the Ministries of Railways, Defence and Law. They feel that the Ministry with their past experience should be able to initiate preparatory action in consultation with the State and Central authorities for selection of such roads as could be considered likely for development as National Highways. This arrangement would obviate avoidable delays in settling preliminaries at later stages and would thus enable the Ministry to proceed with the execution of the projects immediately when firm financial provisions are known. The Committee cannot help concluding that had this course been adopted, the provision of Rs. 15 crores made for development of 11 new roads, would have been utilised during the 4th Plan itself. |

The Committee view with concern that only 171 kilomaters out of a total length of missing links of 440 kilo-meters targeted in 4th plan were completed in all respects till December, 1977 and that the remaining length is in various stages of progress. It was expected that work on these missing links would be completed in the first year or so of the Sixth Plan as according to the Ministry of Shipping and Transport the principal bottlenecks *viz.*, difficulties in acquiring land, difficulties in fixing suitable contractors and financial constraints in the way of expeditious construction of the missing links had been largely overcome. It appears that the construction of missing links in the scheme of things had not been given the importance that it deserved. The Committee are rather perturbed to be informed that the missing links totalling 40 kms. which were given first priority for completion during the Fourth Plan itself are now expected to be completed by June, 1981, *i.e.*, about 8 years behind original schedule. Since besides these 440 kilometers, another 166 kilometers of missing links in length of 4819 kms. which were declared during the Fourth Plan period are also to be constructed, the Committee need hardly emphasise that Government should accord high priority to these works so that they are completed within a time schedule of next two or three years. In fact, the Committee desire that the Ministry should plan and adjust their future programmes in such a way that the missing links, if any, are accorded the highest priority for completion so that the benefits of complete projects are made available to the users of the roads within the plan period itself.

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| 3 | 1·12 | Shising and Transport (Roads Wing) | The Committee had, in the rocemmendations at Sl. Nos. 16 to 22 of the original Report, commented upon the items of work where the Highway Authorities faltered in the matter of missing links. They had expressed their unhappiness over the slow progress and the long time taken in completion of a number of missing major bridges included in the Fourth Five Year Plan. The Ministry have informed the Committee in their Action Taken Notes that Government is taking all possible steps to expedite early completion of these bridges. As regards the progress of the road crust works on the 123 kilometer long Arrah-Mohania missing link of National Highway No. 30 in Bihar, the Committee are constrained to observe that 5 out of the 17 missing bridges on this road are still to be sanctioned though all the 17 bridges were scheduled to be completed in the Fourth Plan period. While giving the oft-repeated explanation of financial constraints in this case, the Ministry have stated that all the bridges and, as such, the whole project is targeted to be completed by December, 1980. Another important instance where the Committee had expressed their unhappiness over unduly long time taken in completion of missing ling was a 32 mile road between Kalaghat and Haldia on National Highway No. 41 in West Bengal which was sanctioned as far back as in July, 1969. The Ministry in their reply have stated that the main reason for the delay in construction has been the acquisition of most of the lands for work although while |

sanctioning the project estimates the Ministry was given the impression that the possession of land had been obtained by the State PWD The Committee are constrained to find that most of the works of missing links which were to be completed long ago have not been completed so far and some of these are still in sanctioning stages. Though in certain cases targets for completion of the incomplete works have been laid down, what is important is that these targets should be adhered to. In other cases where the works are still to be sanctioned it is of paramount urgency that necessary financial provisions for these projects should be made and steps taken to prepare a time-bound programme for their execution at the earliest.

4 1.15 -Do- The Committee are constrained to note that 32 out of the 141 pre-Fourth Plan National Highway Works are still to be completed. The recommendations of the expert committee headed by the then DG(RD) and Addl. Secretary, which was appointed in March, 1970 to review the existing procedures and to suggest remedial measures for dealing with the recurring nature of delays in the execution of bridge and road works, do not appear to have been implemented effectively. Since the spilled over works adversely affect the road development programme of the next Plan and involve cost escalations, the Committee need hardly emphasise that there is urgent need to keep strict watch over the execution of the projects right from the beginning so as to ensure that works once taken up for execution are completed according to the time schedule. The Committee expect that the remaining 32 projects of the pre-Fourth Plan would be completed without loss of further time.

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| 5 | 1·18 | Shipping & Transport (Roads Wing) | The Committee have been informed that it is not considered necessary to send officers of the Roads Wing on deputation to the State Governments for acquiring the practical experience as there is an in-built system of training in the organisation itself to provide field experience to the officers of Roads Wing. Though transfers from headquarters to the Regional office and *vice versa* and tours undertaken by the officers from headquarters do provide a chance to them to associate themselves with the practical problems and experience of engineering projects, yet in the opinion of the Committee, it would be better to maintain continuous flow of experience from the field into the apex body and *vice versa* if suitable institutional arrangement could be devised by the Ministry for two-way deputation of officers. This would also ensure to a greater extent the timely completion of projects and quality during execution of works besides expediting the work of scrutiny and issue of sanctions. |
| 6 | 1·21 | Do. | In their reply the Ministry of Shipping and Transport have stated that at the meetings of the Chief Engineers, held at Hyderabad and Madras in January, 1976 and August, 1976 respectively, special emphasis was laid on creating suitable well organised quality control ed that at the meetings of the Chief Engineers, held at Hyderabad and Madras in January, 1976 and August, 1976 respectively, special emsubject stressing *inter alia* the need for creating proper and adequate organisational set up in the States for quality control. The Ministry |

have further stated that the basic responsibility, however, for creating separate quality control organisation rests with the State Governments who have to consider the financial implication of creating permanent organisation in consultation with their finance. The Committee would like the Ministry to pursue this matter urgently with the State Governments concerned and emphasize upon them the need for creating separate quality control cells on regular basis so as to ensure effective quality control in the construction of roads.

| | | |
|---|---|---|
| 7 | 1·24 | -Do- |

The Committee are constrained to note that the two model NIT documents (*viz.*, lumpsum contract document and item rate contract document) evolved a few years ago, which would ensure a kind of uniform system of inviting tenders based on certain standard conditions are still to be finalised. The Committee further note that the comments of the A.G., E.W. & M on the lumpsum contract document were made available to the Ministry in January, 1976 and in regard to the item-rate contract document, the A.G. C.W. & M. have observed that the Planning Commission had undertaken an identical exercise for evolving a contract form and that they had already examined the item rate contract document in that connection and had sent their comments to the Ministry of Works and Housing.

It is surprising that the Ministry of Shipping and Transport have not been able to finalise the lumpsum contract document during the last 3 years after A.G.C.W. & M. has communicated his comments and also is not able to obtain so far a copy of the rate contract document with comments from the Ministry of Works and Housing on

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| | | | the plea that the comments are very voluminous. The Committee can not accept this argument and would urge upon the Government to take early and conclusive action to finalise these documents without any further delay. |
| 8 | 1·27 | Shipping and Transport (Roads Wing) | The Committee had expressed unhappiness that though a bulk of the machinery was rendered idle on completion on slowing down of the works due to financial stringency about a decade ago, no concrete or conclusive action had been taken all these years to reallocate the machinery to other States where these could be put to proper use, more particularly for the execution of the National Highway works. The Ministry were urged to implement the policy decision taken in 1973 to retain the ownership of only heavy and sophisticated items of equipments and dispose of minor items to State Governments. The Ministry in their Action Taken Note have stated that the urgency of the matter to finalise disposal of minor items of equipment was impressed upon the Chief Engineers in the course of correspondence at various occasions, in Chief Engineers meetings|review meetings etc., and the matter is being pursued demi-officially at the level of Director General (Road Development) with the State Government for submission of their final requirements, from time to time. The Committee further note that 45 per cent of the 1½ cubic yard and 60 per cent of the ¾ cubic yard grab dredging cranes were sold to other organisations. The Committee regret that no clear-cut reply is |

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| | | | available whether the policy decision of 1973 has been implemented in letter and spirit. The Committee have also not been informed categorically whether a thorough investigation into the purchase of the unutilised or markedly under-utilised machinery had been carried out to fix responsibility. The Committee would also like to have a specific reply whether all the machinery and equipment not required by the Centre have been disposed of and whether the remaining machinery to be kept by the Centre has been put to complete utilisation. |
| 9 | 1.30 | -Do- | The Committee in their earlier recommendation had asked the Ministry to examine carefully the observations made in the Supplementary Reports of C & AG for the year 1973-74 regarding utilisation of items of Road Building Machinery in the States and select cases of glaring irregularities involving money form the Centre for investigation by a Committee of Officers who may be drawn from the Ministry of Shipping and Transport, Ministry of Finance, Border Roads Organisation and the State authorities. In their Action Taken Note, the Ministry have stated that except for the observation on the upkeep and utilisation of various items of Central machinery given to the States, some irregularities of serious nature involving money from the Centre have only been noticed in the State of Rajasthan and that the Ministry had not given approval for any of the action taken by the State PWD resulting in these irregularities. The Committee are not satisfied with the reply of the Ministry as they feel that the Ministry have based their comments on the information as furnished by the State authorities without verifying the facts at their |

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| | | | own source. They therefore urge that a thorough investigation into the condition of Central machinery lying with the State Governments may be made by a Committee of Officers, as recommended earlier, and conclusive action taken in consultation with the Audit. |
| 10 | 1.33 | Shipping and Transport (Roads Wing) | The Committee regret that no specific reasons have been given by the Government for taking a long period of about 5 years (2 years by Ministry of Shipping and Transport and 3 years by Ministry of Finance) to consider and concur in the recommendations of the Road Building Machinery Committee set up to go into the whole question of road building machinery from the stage of planning of procurement and purchase to its utilisation, operation, maintenance etc. In the opinion of the Committee the very purpose of constituting such committees is defeated if a long time is taken to implement their recommendations. The Committee are not convinced with the plea of the Ministry that as no officer could exclusively be deputed to study this Report and examine the recommendations due to reasons of economy, there has been some avoidable delay. The Committee would like the Government to go into the reasons for this inordinate delay in both the Ministries with a view to fixing responsibility and take remedial measures for future to avoid such delays. |



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